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On **September 6, 2019**, Nippon Parking Development Co., Ltd. announced earnings results for full-year FY07/19.

Cumulative (JPYmm)	FY07/17				FY07/18				FY07/19				FY07/19	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	% of FY	FY Est.
Sales	5,018	10,974	17,336	21,987	5,295	11,307	17,902	22,771	5,694	11,972	19,036	24,382	98.7%	24,700
YoY	41.4%	27.1%	23.2%	21.2%	5.5%	3.0%	3.3%	3.6%	7.5%	5.9%	6.3%	7.1%		8.5%
Gross profit	2,136	4,891	7,808	9,552	2,382	5,117	8,249	10,129	2,628	5,521	8,788	10,872		
YoY	55.6%	31.6%	24.5%	23.7%	11.5%	4.6%	5.6%	6.0%	10.3%	7.9%	6.5%	7.3%		
GPM	42.6%	44.6%	45.0%	43.4%	45.0%	45.3%	46.1%	44.5%	46.1%	46.1%	46.2%	44.6%		
SG&A expenses	1,401	3,181	4,903	6,485	1,454	3,263	5,036	6,595	1,522	3,406	5,218	6,714		
YoY	17.7%	12.4%	13.6%	12.9%	3.7%	2.6%	2.7%	1.7%	4.7%	4.4%	3.6%	1.8%		
SG&A ratio	27.9%	29.0%	28.3%	29.5%	27.5%	28.9%	28.1%	29.0%	26.7%	28.5%	27.4%	27.5%		
Operating profit	734	1,710	2,906	3,067	928	1,855	3,213	3,533	1,106	2,114	3,570	4,158	99.0%	4,200
YoY	303.7%	92.6%	48.4%	55.1%	26.3%	8.4%	10.6%	15.2%	19.2%	14.0%	11.1%	17.7%		18.9%
OPM	14.6%	15.6%	16.8%	14.0%	17.5%	16.4%	17.9%	15.5%	19.4%	17.7%	18.8%	17.1%		17.0%
Recurring profit	741	1,721	2,971	3,212	937	1,877	3,267	3,610	1,123	2,139	3,578	4,152	101.3%	4,100
YoY	132.0%	50.7%	29.1%	43.4%	26.4%	9.0%	10.0%	12.4%	19.9%	14.0%	9.5%	15.0%		13.6%
RPM	14.8%	15.7%	17.1%	14.6%	17.7%	16.6%	18.2%	15.9%	19.7%	17.9%	18.8%	17.0%		16.6%
Net income	689	1,253	1,791	2,243	758	1,323	2,068	2,211	946	1,558	2,281	2,824	108.6%	2,600
YoY	152.3%	91.4%	36.0%	78.7%	10.1%	5.6%	15.5%	-1.4%	24.8%	17.7%	10.3%	27.7%		17.6%
Net margin	13.7%	11.4%	10.3%	10.2%	14.3%	11.7%	11.6%	9.7%	16.6%	13.0%	12.0%	11.6%		10.5%

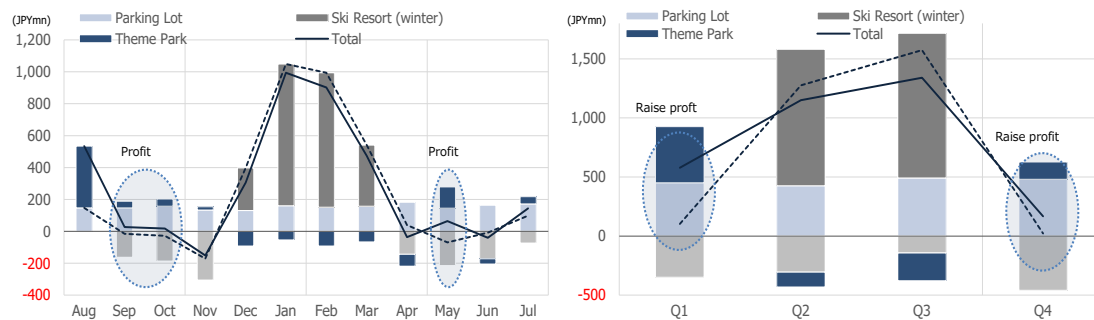
Quarterly (JPYmm)	FY07/17				FY07/18				FY07/19			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Sales	5,018	5,955	6,362	4,652	5,295	6,012	6,595	4,869	5,694	6,278	7,064	5,345
YoY	41.4%	17.1%	17.1%	14.2%	5.5%	1.0%	3.7%	4.7%	7.5%	4.4%	7.1%	9.8%
Gross profit	2,136	2,755	2,917	1,744	2,382	2,736	3,132	1,879	2,628	2,893	3,268	2,084
YoY	55.6%	17.5%	14.2%	20.2%	11.5%	-0.7%	7.4%	7.8%	10.3%	5.7%	4.3%	10.9%
GPM	42.6%	46.3%	45.9%	37.5%	45.0%	45.5%	47.5%	38.6%	46.1%	46.1%	46.3%	39.0%
SG&A expenses	1,401	1,779	1,722	1,582	1,454	1,809	1,773	1,559	1,522	1,884	1,812	1,496
YoY	17.7%	8.6%	16.0%	10.5%	3.7%	1.7%	3.0%	-1.5%	4.7%	4.2%	2.2%	-4.0%
SG&A ratio	27.9%	29.9%	27.1%	34.0%	27.5%	30.1%	26.9%	32.0%	26.7%	30.0%	25.7%	28.0%
Operating profit	734	976	1,195	162	928	927	1,358	320	1,106	1,009	1,455	588
YoY	303.7%	38.2%	11.7%	718.7%	26.3%	-5.0%	13.6%	98.3%	19.2%	8.8%	7.1%	83.6%
OPM	14.6%	16.4%	18.8%	3.5%	17.5%	15.4%	20.6%	6.6%	19.4%	16.1%	20.6%	11.0%
Recurring profit	741	980	1,250	241	937	940	1,390	343	1,123	1,015	1,439	575
YoY	132.0%	19.1%	7.8%	-	26.4%	-4.1%	11.2%	42.6%	19.9%	8.0%	3.5%	67.3%
RPM	14.8%	16.5%	19.7%	5.2%	17.7%	15.6%	21.1%	7.1%	19.7%	16.2%	20.4%	10.8%
Net income	689	565	538	451	758	565	745	143	946	612	723	543
YoY	152.3%	47.9%	-18.8%	-	10.1%	0.1%	38.5%	-68.4%	24.8%	8.3%	-2.9%	280.2%
Net margin	13.7%	9.5%	8.5%	9.7%	14.3%	9.4%	11.3%	2.9%	16.6%	9.7%	10.2%	10.2%

Source: Shared Research based on company data

Note: Figures may differ from company materials due to differences in rounding methods.

Seasonality: The busy periods for the Ski Resort business concentrate in Q2 (November–January) and Q3 (February–April), while Q1 (August–October) and Q4 (May–July) are slow and in these periods the company tends to post operating losses. Meanwhile, the busy periods for the Theme Park business are Q1, which includes summer vacation, and to a lesser extent Q4, which includes the Golden Week holiday and July, and the segment tends to book operating loss in the off periods of Q2 and Q3. Accounting for these businesses together offsets seasonality to an extent. Depending on the balance of both businesses it is likely that NPD will book an operating profit from Q1 through Q3, although Q4 may see an operating loss. The Parking Lot business exhibits no obvious seasonality.

Operating profit model by segment: The Theme Park business compensates for Ski Resort business seasonality



Source: Shared Research based on company data

Performance by segment

Cumulative (JPYmm)	FY07/17				FY07/18				FY07/19				FY07/19	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	% of FY	FY Est.
Sales	5,018	10,974	17,336	21,987	5,295	11,307	17,902	22,771	5,694	11,972	19,036	24,382	98.7%	24,700
YoY	41.4%	27.1%	23.2%	21.2%	5.5%	3.0%	3.3%	3.6%	7.5%	5.9%	6.3%	7.1%		8.5%
Parking Lot business	3,102	6,229	9,420	12,709	3,278	6,532	9,827	13,236	3,370	6,772	10,280	13,896	99.3%	14,000
YoY	7.9%	7.5%	7.6%	7.4%	5.7%	4.9%	4.3%	4.1%	2.8%	3.7%	4.6%	5.0%		5.8%
Domestic	2,892	5,776	8,698	11,681	2,998	5,955	8,937	12,006	3,038	6,079	9,205	12,900		
YoY	7.8%	6.9%	6.7%	6.1%	3.7%	3.1%	2.7%	2.8%	1.3%	2.1%	3.0%	3.2%		
Overseas	210	453	722	1,025	279	577	889	1,229	331	692	1,074	1,505		
YoY	9.1%	14.6%	19.8%	23.9%	32.8%	27.4%	23.1%	19.9%	18.6%	19.9%	20.8%	22.5%		
Ski Resort business	631	3,020	5,667	6,152	815	3,145	5,876	6,420	868	3,187	6,031	6,629	96.2%	6,890
YoY	-1.5%	10.2%	10.5%	10.2%	29.2%	4.1%	3.7%	4.4%	6.5%	1.4%	2.6%	3.2%		7.3%
Theme Park business	1,197	1,582	2,047	2,860	1,133	1,482	1,987	2,832	1,353	1,788	2,378	3,343	101.3%	3,300
YoY	-	-	-	502.8%	-5.4%	-6.3%	-2.9%	-1.0%	19.4%	20.6%	19.7%	18.0%		16.5%
Other	88	153	212	322	69	150	226	384	109	235	364	572		
Eliminations	-0	-11	-11	-52	-1	-2	-13	-101	-6	-10	-17	-58		
Operating profit	734	1,710	2,906	3,067	928	1,855	3,213	3,533	1,106	2,114	3,570	4,158	99.0%	4,200
YoY	303.7%	92.6%	48.4%	55.1%	26.3%	8.4%	10.6%	15.2%	19.2%	14.0%	11.1%	17.7%		18.9%
OPM	14.6%	15.6%	16.8%	14.0%	17.5%	16.4%	17.9%	15.5%	19.4%	17.7%	18.8%	17.1%		17.0%
Parking Lot business	668	1,331	2,029	2,733	754	1,444	2,143	2,912	777	1,564	2,425	3,332	98.0%	3,400
YoY	12.8%	14.6%	16.1%	14.2%	13.0%	8.5%	5.6%	6.5%	3.1%	8.3%	13.2%	14.4%		16.8%
OPM	21.5%	21.4%	21.5%	21.5%	23.0%	22.1%	21.8%	22.0%	23.1%	23.1%	23.6%	24.0%		24.3%
Ski Resort business	-334	170	970	443	-255	195	1,107	625	-240	158	1,089	630	78.7%	800
YoY	-	-	55.8%	313.4%	-	14.7%	14.2%	41.1%	-	-18.9%	-1.6%	0.8%		28.0%
OPM	-	5.6%	17.1%	7.2%	-	6.2%	18.8%	9.7%	-	5.0%	18.1%	9.5%		11.6%
Theme Park business	560	535	382	512	545	476	361	548	679	636	407	603	100.5%	600
YoY	-	-	-	-	-2.7%	-10.9%	-5.4%	6.9%	24.6%	33.5%	12.5%	10.1%		9.5%
OPM	46.8%	33.8%	18.7%	17.9%	48.1%	32.1%	18.2%	19.3%	50.2%	35.6%	17.1%	18.0%		18.2%
Other	-0	2	-2	-3	7	19	23	34	10	23	30	110		50
Eliminations	-159	-327	-473	-618	-123	-280	-422	-585	-120	-267	-381	-517		-650
Quarterly	FY07/17				FY07/18				FY07/19					
Sales	5,018	5,955	6,362	4,652	5,295	6,012	6,595	4,869	5,694	6,278	7,064	5,345		
YoY	41.4%	17.1%	17.1%	14.2%	5.5%	1.0%	3.7%	4.7%	7.5%	4.4%	7.1%	9.8%		
Parking Lot business	3,102	3,127	3,191	3,289	3,278	3,254	3,294	3,409	3,370	3,403	3,508	3,616		
YoY	7.9%	7.1%	7.9%	6.7%	5.7%	4.1%	3.2%	3.7%	2.8%	4.6%	6.5%	6.1%		
Domestic	2,892	2,884	2,922	2,983	2,998	2,957	2,982	3,069	3,038	3,041	3,126	3,185		
YoY	7.8%	6.1%	6.3%	4.4%	3.7%	2.5%	2.1%	2.9%	1.3%	2.8%	4.8%	3.8%		
Overseas	210	243	269	302	279	298	312	340	331	361	382	431		
YoY	9.1%	19.8%	29.6%	35.2%	32.8%	22.8%	15.8%	12.5%	18.6%	21.1%	22.4%	26.8%		
Ski Resort business	631	2,390	2,647	484	815	2,330	2,731	544	868	2,319	2,844	597		
YoY	-1.5%	13.8%	10.9%	6.0%	29.2%	-2.5%	3.2%	12.3%	6.5%	-0.5%	4.1%	9.8%		
Theme Park business	1,197	385	465	813	1,133	349	505	845	1,353	435	590	965		
YoY	-	-	-	71.3%	-5.4%	-9.3%	8.6%	3.9%	19.4%	24.5%	16.9%	14.2%		
Other	88	65	59	110	69	81	76	158	109	125	129	208		
Eliminations	-0	-11	0	-41	-1	-1	-12	-87	-6	-4	-7	-42		
Operating profit	734	976	1,195	162	928	927	1,358	320	1,106	1,009	1,455	588		
YoY	303.7%	38.2%	11.7%	718.7%	26.3%	-5.0%	13.6%	98.3%	19.2%	8.8%	7.1%	83.6%		
OPM	14.6%	16.4%	18.8%	3.5%	17.5%	15.4%	20.6%	6.6%	19.4%	16.1%	20.6%	11.0%		
Parking Lot business	668	663	698	704	754	690	698	769	777	787	860	907		
YoY	12.8%	16.6%	19.0%	9.1%	13.0%	4.1%	0.0%	9.2%	3.1%	14.0%	23.2%	18.0%		
OPM	21.5%	21.2%	21.9%	21.4%	23.0%	21.2%	21.2%	22.6%	23.1%	23.1%	24.5%	25.1%		
Ski Resort business	-334	503	800	-527	-255	450	913	-483	-240	398	932	-460		
YoY	-	85.8%	29.8%	-	-	-10.6%	14.1%	-	-	-11.5%	2.1%	-		
OPM	-	21.1%	30.2%	-	-	19.3%	33.4%	-	-	17.2%	32.8%	-		
Theme Park business	560	-25	-153	130	545	-69	-115	186	679	-43	-229	197		
YoY	-	-	-	189.8%	-2.7%	-	-	43.1%	24.6%	-	-	5.5%		
OPM	46.8%	-	-	16.0%	48.1%	-	-	22.1%	50.2%	-	-	20.4%		
Other	-0	2	-4	-1	7	12	4	11	10	13	7	80		
Eliminations	-159	-168	-146	-145	-123	-156	-142	-163	-120	-147	-114	-136		

Source: Shared Research based on company data

Note: Figures may differ from company materials due to differences in rounding methods.

Note: Segment sales figures include internal sales.

Key indicators for the domestic Parking Lot business

Parking Lot business (JPYmn)	FY07/17				FY07/18				FY07/19			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Number of parking facilities	1,209	1,208	1,206	1,204	1,201	1,198	1,183	1,181	1,192	1,195	1,196	1,191
YoY	4.7%	3.2%	0.9%	-1.1%	-0.7%	-0.8%	-1.9%	-1.9%	-0.7%	-0.3%	1.1%	0.8%
QoQ change	-9	-1	-2	-2	-3	-3	-15	-2	11	3	1	5
New contracts	11	16	24	20	14	17	18	18	22	14	25	
Cancellations	-20	-17	-26	-22	-17	-20	-33	-20	-11	-11	-24	
For rent (monthly)	961	960	966	969	972	976	968	972	985	987	982	980
For rent (monthly and hourly)	139	140	136	131	127	123	121	115	112	114	118	116
Outsourced management	109	108	104	104	102	99	94	94	95	94	96	95
Total parking spaces (units)	43,264	43,087	43,789	44,006	43,619	43,363	43,524	43,563	43,617	43,518	43,697	43,543
YoY	7.2%	3.4%	3.7%	1.7%	0.8%	0.6%	-0.6%	-1.0%	0.0%	0.4%	0.4%	0.0%
Leased spaces	25,112	24,976	25,390	25,720	25,318	25,360	25,668	25,712	25,747	25,711	25,796	25,818
YoY	7.2%	3.4%	5.4%	2.0%	0.8%	1.5%	1.1%	0.0%	1.7%	1.4%	0.5%	0.4%
Monthly	15,026	14,920	15,293	15,730	15,647	15,706	15,933	16,144	16,253	16,125	15,957	16,125
YoY	4.5%	2.2%	4.0%	4.1%	4.1%	5.3%	4.2%	2.6%	3.9%	2.7%	0.2%	-0.1%
Monthly and hourly	10,086	10,056	10,097	9,990	9,671	9,654	9,735	9,568	9,494	9,586	9,839	9,693
YoY	11.4%	5.1%	7.5%	-1.1%	-4.1%	-4.0%	-3.6%	-4.2%	-1.8%	-0.7%	1.1%	1.3%
Managed spaces	18,152	18,111	18,399	18,286	18,301	18,003	17,856	17,851	17,870	17,807	17,901	17,725
YoY	7.2%	3.4%	1.5%	1.2%	0.8%	-0.6%	-3.0%	-2.4%	-2.4%	-1.1%	0.3%	-0.7%
Rented out spaces	13,967	13,882	14,369	14,782	14,717	14,488	14,770	15,085	15,099	15,220	15,305	15,457
YoY	4.7%	3.4%	5.4%	5.2%	5.4%	4.4%	2.8%	2.0%	2.6%	5.1%	3.6%	2.5%
Contract ratio (monthly parking)	93.0%	93.0%	94.0%	94.0%	94.1%	92.2%	92.7%	93.4%	92.9%	94.4%	95.9%	95.9%
Domestic sales	2,892	2,884	2,921	2,984	2,998	2,957	2,982	3,069	3,038	3,041	3,126	3,185
YoY	7.8%	6.1%	6.3%	4.4%	3.7%	2.5%	2.1%	2.8%	1.3%	2.8%	4.8%	3.8%
Directly managed facilities	2,035	2,022	2,039	2,105	2,092	2,079	2,075	2,122	2,108	2,097	2,130	2,181
YoY	8.5%	7.3%	7.1%	6.4%	2.8%	2.8%	1.8%	0.8%	0.8%	0.9%	2.7%	2.8%
Sales per leased space	81	81	81	82	82	82	81	83	82	82	83	85
YoY	0.5%	2.0%	2.7%	2.6%	1.4%	1.6%	0.4%	0.3%	-0.1%	-0.7%	1.7%	2.3%
Outsourced management	672	673	664	681	689	686	681	700	696	700	715	722
YoY	3.9%	1.1%	-0.2%	0.6%	2.5%	1.9%	2.6%	2.8%	1.0%	2.0%	5.0%	3.1%
Sales per managed space	37	37	36	37	38	38	38	39	39	39	40	41
YoY	-3.1%	-2.2%	-1.6%	-0.6%	1.7%	2.5%	5.7%	5.3%	3.5%	3.2%	4.7%	3.9%
Other	183	189	219	198	216	191	227	247	233	245	281	281
YoY	14.4%	12.5%	21.0%	-1.5%	18.0%	1.1%	3.7%	24.7%	7.9%	28.3%	23.8%	13.8%

Source: Shared Research based on company data

Note: Figures may differ from company materials due to differences in rounding methods.

Note: Sales per leased space for directly managed facilities is determined by dividing directly managed facilities sales by the number of leased spaces in those facilities; sales per managed space for outsourced management facilities is calculated by dividing outsourced management facilities sales by the number of parking spaces in those facilities.

Domestic Parking Lot business: Number of parking spaces (units), number of contracts

	FY07/17				FY07/18				FY07/19			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Monthly rental vehicles with parking space (units)	134	132	127	142	167	168	180	201	222	256	242	245
YoY	22.9%	3.9%	-5.9%	9.2%	24.6%	27.3%	41.7%	41.5%	32.9%	52.4%	34.4%	21.9%
Car sharing (units)	81	89	83	83	82	79	72	72	67	64	62	
YoY	-35.7%	-23.3%	-22.4%	-9.8%	1.2%	-11.2%	-13.3%	-13.3%	-18.3%	-19.0%	-13.9%	-
Car sharing (no. of contracts)	2,339	2,337	2,247	2,399	2,339	2,596	2,103	2,357	2,102	2,055	2,053	
YoY	-6.7%	-2.6%	-2.9%	3.2%	0.0%	11.1%	-6.4%	-1.8%	-10.1%	-20.8%	-2.4%	-

Source: Shared Research based on company data

Note: Figures may differ from company materials due to differences in rounding methods.

Number of visitors and performance in the Ski Resort business

(JPYmm)	FY07/17				FY07/18				FY07/19			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
No. of visitors ('000)	224	987	1,905	2,057	268	1,059	1,997	2,149	291	1,073	2,035	2,195
YoY	3.2%	7.8%	9.8%	9.9%	19.6%	7.3%	4.8%	4.5%	8.6%	1.3%	1.9%	2.1%
Winter facility ('000)	-	743	1,654	1,670	-	769	1,696	1,702	-	756	1,709	1,724
YoY	-	7.5%	9.9%	10.7%	-	3.5%	2.5%	1.9%	-	-1.7%	0.8%	1.3%
Summer facility ('000)	224	244	251	387	268	290	301	447	291	317	326	471
YoY	3.2%	8.4%	9.1%	6.3%	19.6%	18.9%	19.9%	15.5%	8.6%	9.3%	8.3%	5.4%
Sales	631	3,020	5,667	6,152	815	3,145	5,876	6,420	868	3,187	6,031	6,629
YoY	-1.5%	10.2%	10.5%	10.2%	29.2%	4.1%	3.7%	4.4%	6.5%	1.4%	2.6%	3.2%
Gross profit	267	1,751	3,419	3,556	385	1,790	3,593	3,741	409	1,821	3,684	3,828
YoY	-13.9%	13.3%	13.9%	14.0%	44.2%	2.2%	5.1%	5.2%	6.5%	1.7%	2.5%	2.3%
GPM	42.3%	58.0%	60.3%	57.8%	47.2%	56.9%	61.1%	58.3%	47.2%	57.1%	61.1%	57.7%
SG&A expenses	600	1,582	2,450	3,113	640	1,596	2,486	3,117	650	1,663	2,594	3,198
YoY	4.5%	2.8%	2.9%	3.4%	6.6%	0.9%	1.5%	0.1%	1.6%	4.2%	4.4%	2.6%
SG&A ratio	95.2%	52.4%	43.2%	50.6%	78.5%	50.7%	42.3%	48.5%	74.8%	52.2%	43.0%	48.2%
Operating profit	-334	170	970	443	-255	195	1,107	625	-240	158	1,089	630
YoY	-	-	55.8%	313.4%	-	14.7%	14.2%	41.1%	-	-18.9%	-1.6%	0.8%
OPM	-	5.6%	17.1%	7.2%	-	6.2%	18.8%	9.7%	-	5.0%	18.1%	9.5%

(JPYmm)	FY07/17				FY07/18				FY07/19			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
No. of visitors ('000)	224	763	918	152	268	791	938	152	291	782	962	160
YoY	3.2%	9.2%	12.1%	10.9%	19.6%	3.7%	2.2%	-	8.6%	-1.1%	2.6%	5.3%
Winter facility ('000)	-	743	911	16	-	769	927	6	-	756	953	15
YoY	-	7.5%	11.9%	433.3%	-	3.5%	1.8%	-62.5%	-	-1.7%	2.8%	150.0%
Summer facility ('000)	224	20	7	136	268	22	11	146	291	26	9	145
YoY	3.2%	150.0%	40.0%	1.5%	19.6%	10.0%	57.1%	7.4%	8.6%	18.2%	-18.2%	-0.7%
Sales	631	2,390	2,647	484	815	2,330	2,731	544	868	2,319	2,844	597
YoY	-1.5%	13.8%	10.9%	6.0%	29.2%	-2.5%	3.2%	12.3%	6.5%	-0.5%	4.1%	9.8%
Gross profit	267	1,485	1,668	136	385	1,406	1,803	148	409	1,411	1,863	144
YoY	-13.9%	20.2%	14.5%	17.9%	44.2%	-5.3%	8.1%	8.8%	6.5%	0.4%	3.3%	-2.8%
GPM	42.3%	62.1%	63.0%	28.2%	47.2%	60.3%	66.0%	27.3%	47.2%	60.9%	65.5%	24.2%
SG&A expenses	600	981	868	663	640	956	890	631	650	1,013	931	604
YoY	4.5%	1.7%	3.2%	5.1%	6.6%	-2.6%	2.6%	-4.8%	1.6%	6.0%	4.6%	-4.3%
SG&A ratio	95.2%	41.1%	32.8%	136.9%	78.5%	41.0%	32.6%	116.0%	74.8%	43.7%	32.7%	101.1%
Operating profit	-334	503	800	-527	-255	450	913	-483	-240	398	932	-460
YoY	-	-	29.8%	-	-	-10.6%	14.1%	-	-	-11.5%	2.1%	-
OPM	-	21.1%	30.2%	-	-	19.3%	33.4%	-	-	17.2%	32.8%	-

Source: Shared Research based on company data
 Note: Figures may differ from company materials due to differences in rounding methods.

Visitor count by ski resort during summer

Cumulative ('000)	FY07/17				FY07/18				FY07/19			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Total summer facilities	224	244	251	387	268	290	301	447	291	316	326	471
YoY	3.2%	8.4%	11.6%	6.0%	19.6%	18.9%	19.9%	15.5%	8.6%	9.0%	8.3%	5.4%
Total facilities with operating ropeway	190	200	204	309	235	249	255	375	254	270	274	392
YoY	5.6%	10.5%	12.7%	6.6%	23.7%	24.5%	25.0%	21.4%	8.1%	8.4%	7.5%	4.5%
Hakuba Happo-one International Mountain Resort	67	67	67	98	70	70	70	105	69	69	69	93
Hakuba Iwatake Mountain Resort	15	16	16	25	18	20	21	34	37	45	49	91
Tsugaikoe Kogen	51	51	51	78	52	52	52	81	57	57	58	85
Ryuoo Mountain Park	38	41	41	60	77	83	83	112	74	74	74	98
Mt. Kongo Ropeway	16	23	28	48	15	22	27	43	14	22	22	22
Other	34	44	47	78	33	41	46	72	37	46	52	79
YoY	-8.1%	0.0%	6.8%	5.4%	-2.9%	-6.8%	-2.1%	-7.7%	12.1%	12.2%	13.0%	9.7%
Kashimayari Sports Village	6	7	9	13	5	6	7	12	6	6	7	12
Kawaba Resort	16	22	22	40	15	20	21	36	17	24	25	40
Meiho Kogen Development	10	12	13	22	11	13	15	24	12	15	17	25
Shinetsu Sakudo Maintenance	0	1	1	2	0	1	1	1	0	1	1	1

Quarterly ('000)	FY07/17				FY07/18				FY07/19			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Total summer facilities	224	20	7	136	268	22	11	146	291	25	10	145
YoY	3.2%	150.0%	-	-2.9%	19.6%	10.0%	57.1%	7.4%	8.6%	13.6%	-9.1%	-0.7%
Total facilities with operating ropeway	190	10	4	105	235	14	6	120	254	16	4	118
YoY	5.6%	900.0%	-	-3.7%	23.7%	40.0%	50.0%	14.3%	8.1%	14.3%	-33.3%	-1.7%
Hakuba Happo-one International Mountain Resort	67	-	-	31	70	-	-	35	69	-	-	24
Hakuba Iwatake Mountain Resort	15	1	-	9	18	2	1	13	37	8	4	42
Tsugaikoe Kogen	51	-	-	27	52	-	-	29	57	-	1	27
Ryuoo Mountain Park	38	3	-	19	77	6	-	29	74	-	-	24
Mt. Kongo Ropeway	16	7	5	20	15	7	5	16	14	8	-	-
Other	34	10	3	31	33	8	5	26	37	9	6	27
YoY	-8.1%	42.9%	-	-3.3%	-2.9%	-20.0%	66.7%	-16.1%	12.1%	12.5%	20.0%	3.8%
Kashimayari Sports Village	6	1	2	4	5	1	1	5	6	-	1	5
Kawaba Resort	16	6	-	18	15	5	1	15	17	7	1	15
Meiho Kogen Development	10	2	1	9	11	2	2	9	12	3	2	8
Shinetsu Sakudo Maintenance	0	1	-	1	0	1	-	-	0	1	-	-

Source: Shared Research based on company data
 Note: Figures may differ from company materials due to differences in rounding methods.

Visitor count by ski resort during winter

Cumulative ('000)	FY07/17				FY07/18				FY07/19			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Total winter facilities	-	743	1,654	1,670	-	768	1,696	1,702	-	755	1,709	1,724
YoY	-	7.5%	9.9%	10.7%	-	3.4%	2.5%	1.9%	-	-1.7%	0.8%	1.3%
Ski resorts	-	723	1,609	1,623	-	751	1,658	1,664	-	738	1,676	1,691
YoY	-	5.5%	8.6%	9.4%	-	3.9%	3.0%	2.5%	-	-1.7%	1.1%	1.6%
HAKUBA VALLEY Happo-one Winter Resort	-	157	370	378	-	186	404	409	-	174	390	396
HAKUBA VALLEY Iwatake Snow Field	-	31	100	100	-	49	121	121	-	48	119	119
HAKUBA VALLEY Tsugaikae Kogen Ski Resort	-	116	263	265	-	121	269	271	-	126	283	285
HAKUBA VALLEY Kashimayari Ski Resort	-	43	95	95	-	46	93	93	-	45	93	93
Ryuo Ski Park	-	91	200	204	-	82	202	202	-	86	214	222
Kawaba Ski Resort	-	72	149	149	-	55	134	134	-	56	146	146
Meiho Ski Resort	-	83	183	183	-	86	186	186	-	79	188	188
Sugadaira Kogen Snow Resort	-	126	245	245	-	124	247	247	-	121	239	239
Other	-	20	45	47	-	17	38	38	-	17	33	33
YoY	-	233.3%	87.5%	95.8%	-	-15.0%	-15.6%	-19.1%	-	0.0%	-13.2%	-13.2%
Kawaba Resort	-	5	17	19	-	3	9	9	-	4	10	10
Meiho Kogen Development	-	1	4	4	-	1	3	3	-	1	3	3
Mt. Kongo Ropeway	-	12	22	22	-	12	24	24	-	11	19	19
Shinetsu Sakudo Maintenance	-	0	-	-	-	-	-	-	-	-	-	-

Quarterly ('000)	FY07/17				FY07/18				FY07/19			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Total winter facilities	-	743	911	16	-	768	928	6	-	755	954	15
YoY	-	7.5%	11.9%	300.0%	-	3.4%	1.9%	-62.5%	-	-1.7%	2.8%	150.0%
Ski resorts	-	723	886	14	-	751	907	6	-	738	938	15
YoY	-	5.5%	11.3%	366.7%	-	3.9%	2.4%	-57.1%	-	-1.7%	3.4%	150.0%
HAKUBA VALLEY Happo-one Winter Resort	-	157	213	8	-	186	218	5	-	174	216	6
HAKUBA VALLEY Iwatake Snow Field	-	31	69	-	-	49	72	-	-	48	71	-
HAKUBA VALLEY Tsugaikae Kogen Ski Resort	-	116	147	2	-	121	148	2	-	126	157	2
HAKUBA VALLEY Kashimayari Ski Resort	-	43	52	-	-	46	47	-	-	45	48	-
Ryuo Ski Park	-	91	109	4	-	82	120	-	-	86	128	8
Kawaba Ski Resort	-	72	77	-	-	55	79	-	-	56	90	-
Meiho Ski Resort	-	83	100	-	-	86	100	-	-	79	109	-
Sugadaira Kogen Snow Resort	-	126	119	-	-	124	123	-	-	121	118	-
Other	-	20	25	2	-	17	21	-	-	17	16	-
YoY	-	233.3%	38.9%	-	-	-15.0%	-16.0%	-	-	0.0%	-23.8%	-
Kawaba Resort	-	5	12	2	-	3	6	-	-	4	6	-
Meiho Kogen Development	-	1	3	-	-	1	2	-	-	1	2	-
Mt. Kongo Ropeway	-	12	10	-	-	12	12	-	-	11	8	-
Shinetsu Sakudo Maintenance	-	0	-0	-	-	-	-	-	-	-	-	-

Source: Shared Research based on company data

Note: Figures may differ from company materials due to differences in rounding methods.

Note: From the winter season 2016/2017, visitor counts at HAKUBA VALLEY Iwatake and Tsugaikae include visitors with season passes (20,000 and 26,000 respectively, in cumulative Q3)

Monthly visitor count during winter

('000 visitors)	FY07/18							FY07/19						
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May
Total	3	228	518	542	324	40	5	-	190	548	570	317	48	14
HAKUBA VALLEY Happo-one Winter Resort	2	59	123	124	74	19	4	-	43	130	125	68	22	5
HAKUBA VALLEY Iwatake Snow Field	-	11	38	50	21	0	-	-	7	41	52	18	-	-
HAKUBA VALLEY Tsugaikae Kogen Ski Resort	-	39	80	85	54	8	1	-	33	93	92	56	7	1
HAKUBA VALLEY Kashimayari Ski Resort	-	11	34	29	17	0	-	-	10	35	31	15	-	-
Ryuo Ski Park	-	29	52	68	48	3	-	-	30	55	73	50	3	8
Kawaba Ski Resort	-	18	36	39	33	6	-	-	14	41	44	35	10	-
Meiho Ski Resort	-	24	61	61	37	1	-	-	18	61	67	37	3	-
Sugadaira Kogen Snow Resort	-	34	90	83	37	0	-	-	32	89	82	35	-	-
Total	+3	+13	+10	+35	-8	-5	-9	-3	-38	+30	+28	-7	+8	+9
HAKUBA VALLEY Happo-one Winter Resort	+2	+14	+11	+11	-4	-2	-4	-2	-16	+7	+1	-6	+3	+1
HAKUBA VALLEY Iwatake Snow Field	-	+5	+13	+6	-3	+0	-	-	-4	+3	+2	-3	-	-
HAKUBA VALLEY Tsugaikae Kogen Ski Resort	-	+5	-2	+3	-2	+1	-1	-	-6	+13	+7	+2	-1	-
HAKUBA VALLEY Kashimayari Ski Resort	-	+1	+1	-1	-3	-1	-	-	-1	+1	+2	-2	-	-
Ryuo Ski Park	-	-6	-3	+6	+4	-	-	-	+1	+3	+5	+2	-	-
Kawaba Ski Resort	-	-8	-9	+2	+3	-2	-	-	-4	+5	+5	+2	+4	-
Meiho Ski Resort	-	+2	-	+1	+1	-1	-	-	-6	-	+6	-	+2	-
Sugadaira Kogen Snow Resort	-	+1	-2	+6	-3	-1	-	-	-2	-1	-1	-2	-	-

Source: Shared Research based on company data

Note: Figures may differ from company materials due to differences in rounding methods.

Number of visitors, customer spend, and performance in the Theme Park business

(JPYmm)	FY07/17				FY07/18				FY07/19			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
No. of visitors ('000)	204	250	316	455	199	240	327	461	246	306	405	564
YoY	-	-	-	-	-2.5%	-4.0%	3.5%	1.3%	23.6%	27.5%	23.9%	22.3%
Average spend (JPY)	-	-	-	3,953	-	3,988	-	4,073	-	3,767	-	-
YoY	-	-	-	-	-	-	-	3.0%	-	-5.5%	-	-
Sales	1,197	1,582	2,047	2,860	1,133	1,482	1,987	2,832	1,353	1,788	2,378	3,343
YoY	-	-	-	-	-5.4%	-6.3%	-2.9%	-1.0%	19.4%	20.6%	19.7%	18.0%
Gross profit	-	787	-	1,095	-	708	-	1,102	-	942	-	-
YoY	-	-	-	-	-	-10.0%	-	0.6%	-	33.1%	-	-
GPM	-	49.7%	-	38.3%	-	47.8%	-	38.9%	-	52.7%	-	-
SG&A expenses	-	252	-	583	-	232	-	554	-	306	-	-
YoY	-	-	-	-	-	-8.2%	-	-4.9%	-	32.2%	-	-
SG&A ratio	-	15.9%	-	20.4%	-	15.6%	-	19.6%	-	17.1%	-	-
Operating profit	560	535	382	512	545	476	361	548	679	636	407	603
YoY	-	-	-	-	-2.7%	-10.9%	-5.4%	6.9%	24.6%	33.5%	12.5%	10.1%
OPM	46.8%	33.8%	18.7%	17.9%	48.1%	32.1%	18.2%	19.3%	50.2%	35.6%	17.1%	18.0%

(JPYmm)	FY07/17				FY07/18				FY07/19			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
No. of visitors ('000)	204	46	66	139	199	41	87	134	246	60	99	159
YoY	-	-	-	-	-2.5%	-10.9%	31.8%	-3.6%	23.6%	46.3%	13.8%	18.7%
Sales	1,197	385	465	813	1,133	349	505	845	1,353	435	590	965
YoY	-	-	-	-	-5.4%	-9.3%	8.6%	3.9%	19.4%	24.5%	16.9%	14.2%
Operating profit	560	-25	-153	130	545	-69	-115	186	679	-43	-229	197
YoY	-	-	-	-	-2.7%	-	-	43.1%	24.6%	-	-	5.5%
OPM	46.8%	-	-	16.0%	48.1%	-	-	22.1%	50.2%	-	-	20.4%

Source: Shared Research based on company data

Note: Figures may differ from company materials due to differences in rounding methods.

Full-year FY07/19 results (out September 6, 2019)

- ▷ Full-year FY07/19 results: Sales and profits increased across all segments.
- ▷ Parking Lot business: Sales and profits increased. Additionally, operating margins improved by 2.0pp.
 - Domestic: Profitability improvement initiatives progressed steadily for existing low-margin hybrid facilities (directly managed facilities with hourly and monthly parking spaces) as the company leveraged its manned facilities for aggressive sales promotions and adjusted pricing according to business demand.
 - Overseas: Overseas parking lot operations reported higher sales and higher profit. In Thailand, which accounts for the bulk of overseas parking lot operations, sales and operating profit both set new record highs on the back of rising revenues from existing facilities and new acquisitions. South Korean operations also grew on a steady stream of new acquisitions
- ▷ Theme Park business: Sales and profit were up on strong visitor numbers
 - Visitor numbers: At 564,000, theme park attendance was up 22.3% YoY. The growth in visitor numbers reflects the company's concerted effort to bring in new types of visitors, strengthen marketing, and open new attractions.
- ▷ Ski Resort business: Despite a positive start in Q1 (August–October 2018) owing to additional measure to attract visitors during the summer season, during Q2 (November 2018–January 2019) natural snowfall came later than usual and temperatures were not low enough to put down man-made snow. While attendance numbers were strong in Q3 FY07/19, Q4 attendance came in below expectations due to bad weather. Sales and profits both increased for full-year FY07/19.
- ▷ Full-year FY07/20 forecast: The company forecasts sales of JPY26.0bn (+6.6% YoY), operating profit of JPY4.5bn (+8.2% YoY), ordinary profit of JPY4.4bn (+6.0% YoY), and net income of JPY2.8bn (+0.6% YoY).

Earnings overview

- ▷ Sales: JPY24.4bn (+7.1% YoY)
- ▷ Operating profit: JPY4.2bn (+17.7% YoY), operating profit margin of 17.1% (+1.6pp YoY)
- ▷ Recurring profit: JPY4.2bn (+15.0% YoY)
- ▷ Net income attributable to parent company shareholders: JPY2.8bn (+27.7% YoY)

Sales and profits grew across all segments. For the Parking Lot business, domestic contract rates improved while overseas profitability also improved. The Theme Park business found success through the highly cost-effective addition of new attractions and special events. For the Ski Resort business, attendance numbers reached an all-time high due to the opening of mountaintop terrace “Hakuba Mountain Harbor” at Hakuba Iwatake in October 2018. However, attendance numbers didn’t reach expectations due to bad weather.

Versus full-year FY07/19 company forecasts, sales reached 99.7% while operating profit reached 99.0%, recurring profit reached 101.3%, and net income attributable to parent company shareholders reached 108.6%. Operating profit in the Parking Lot business achieved 98.0% of its target figure in the same forecast and operating profit in the Ski Resort and Theme Park businesses finished at 78.7% and 100.5%, respectively.



Parking Lot business

- ▷ Sales: JPY13.9bn (+5.0% YoY)
 - Domestic Parking Lot business sales: JPY12.4bn (+3.2% YoY)
 - Overseas Parking Lot business: JPY1.5bn (+22.5% YoY)
- ▷ Operating profit: JPY3.3bn (+14.4% YoY); operating profit margin of 24.0% (+2.0pp YoY)

Domestic Parking Lot business

- ▷ Sales: JPY12.4bn (+3.2% YoY)
 - Directly managed facilities: JPY8.5bn (+1.8% YoY)
 - Outsourced management: JPY2.8bn (+2.8% YoY)
 - Other: JPY1.0bn (+18.1% YoY)

Number of parking lots (facilities), rented spaces, and spaces under management in the domestic Parking Lot business

Profitability improvement initiatives progressed steadily for existing low-margin hybrid facilities (directly managed facilities with hourly and monthly parking spaces) as the company leveraged its manned facilities for aggressive sales promotions and adjusted pricing according to business demand. The company also brought on new business like valet services for Mitsukoshi Nihombashi department store (main store) and the company’s first hospital parking lot operations at Osaka Kaisei Hospital (80 parking spaces).

The number of directly managed parking lots (total for monthly and hourly parking) stood at 1,096 (+0.8% YoY), the number of leased parking spaces at 25,818 (+0.4% YoY), the number of rented spaces for monthly parking at 15,457 (+2.5% YoY), and the contract ratio at 95.9% (+2.5pp YoY). With a slight increase in the number of facilities and rented spaces, Shared Research views that the improvement in contract ratio was the key driver behind sales growth.

Turning to outsourced management parking lots for hourly parking, the number of parking lots stood at 95 (+1.1% YoY) and the number of parking spaces at 17,725 (-0.7% YoY).

Overseas Parking Lot business

- ▷ Sales: JPY1.5bn (+22.5% YoY)
- ▷ Thailand: JPY879mn (+20.8% YoY)
- ▷ China: JPY214mn (-11.1% YoY)
- ▷ South Korea: JPY350mn (+55.0% YoY)

Number of parking lots under management in the overseas Parking Lot business

The number of parking lots under operation overseas rose to 59 (+22.9% YoY), and the total number of parking spaces to 17,080 (+33.2% YoY). By country, the number of parking lots stood at 34 in Thailand (+21.4% YoY) with 9,977 parking spaces (+25.8% YoY), five in China (-28.6% YoY) with 2,562 parking spaces (-13.6% YoY), and 14 in South Korea (+40.0% YoY) with 1,582 parking spaces (+137.0% YoY).

Ski Resort business

- ▷ Sales: JPY6.6bn (+3.2% YoY)
- ▷ Operating profit: JPY630mn (+0.8% YoY); operating profit margin of 9.5% (-0.2pp YoY)

During Q1 (August–October 2018, summer season) and Q4 (May–July 2019), the number of visitors increased thanks to the opening of new facilities. While the number of visitors fell due to delayed ski resort openings during the Q2 winter season (November 2018–January 2019), it increased at a greater rate during Q3 (February–April 2019) than that in the period previous year. As a result, sales and profits grew.

Number of summer season visitors in the Ski Resort business

The number of visitors during the summer season totaled 472,000 (+5.4% YoY) while visitors to lift facilities (gondolas, ropeway, lifts) totaled 392,000 (+4.6% YoY). Attendance numbers reached an all-time high due to the opening of mountaintop terrace “Hakuba Mountain Harbor” at Hakuba Iwatake in October 2018. However, attendance numbers didn’t reach expectations due to bad weather over the weekends in June and July, when attendance typically increases. Additionally, the rainy season lasted longer than expected, resulting in lower-than-expected attendance numbers.

Number of winter season visitors in the Ski Resort business

Visitors during the winter season totaled 1,724,000 (+1.3% YoY). Ski resort openings were delayed due to the winter cold and late snowfall, resulting in a YoY drop in ski resort visitors in December 2018 to 190,000 (-16.7% YoY). According to observations from the Nagano Local Meteorological Office, the first snowfall of 2018, which fell on December 8, occurred 17 days later than is typical, and 20 days later than the first snowfall in 2017. However, the company was able to begin sales early in areas of higher elevation at all ski resorts thanks to its efforts to replace and augment its artificial snow machines. A large natural snowfall in January 2019 allowed for expanded pistes, and visitors for the same month reached 548,000 (+5.8% YoY) and 570,000 in February (+5.2% YoY). Inbound visitors from overseas during this winter season totaled 228,000 (+8.8% YoY).

Theme Park business

- ▷ Sales: JPY3.3bn (+18.0% YoY)
- ▷ Operating profit: JPY603mn (+10.1% YoY); operating profit margin of 18.0% (-1.3pp YoY)

Sales and profit rose on an increase in the number of visitors driven by new attractions and events.

The number of visitors totaled 564,000 (+22.3% YoY), breaking down as 544,000 visitors (+21.7% YoY) at Nasu Highland Park and 19,000 visitors (+39.7% YoY) at the NOZARU aerial athletic facility. In an effort to attract visitors, the company focused on hosting various events, including Dino-A-Live show featuring mechanical suit robots of the world’s first two-legged dinosaurs, which was held for the second year in a row; a circus visiting Japan for the first time from the US; and a special live performance by Girls2, a girl group popular among kids. Further, to enhance the appeal of its theme parks, the company introduced seven new attractions including the popular Gururi Mori, a maze filled with various activities for children and mission-based horror attraction Semakurushi House. In commemoration of the 40th anniversary of Nasu Highland Park, the company sought to attract visitors in collaboration with the regional community by running a campaign offering free entrance to guests staying at nearby hotels to attract visitors from the entire Nasu area. It also opened the park at night, with illuminations serving as the main attraction, during the 10-day Golden Week holiday and summer vacation to attract visitors.

Operating profit increased, primarily thanks to sales growth at Nasu Highland Park.

Full-year company forecasts

Consolidated earnings (JPYmn)	FY07/18			FY07/19			FY07/20 Est.		
	1H	2H	FY	1H	2H	FY	1H	2H	FY
Sales	11,307	11,464	22,771	11,972	12,409	24,382	12,700	13,300	26,000
YoY	3.0%	4.1%	3.6%	5.9%	8.2%	7.1%	6.1%	7.2%	6.6%
Operating profit	1,855	1,679	3,533	2,114	2,044	4,158	2,150	2,350	4,500
YoY	8.4%	23.7%	15.2%	14.0%	21.7%	17.7%	1.7%	15.0%	8.2%
OPM	16.4%	14.6%	15.5%	17.7%	16.5%	17.1%	16.9%	17.7%	17.3%
Recurring profit	1,877	1,734	3,610	2,139	2,014	4,152	2,100	2,300	4,400
YoY	9.0%	16.3%	12.4%	14.0%	16.1%	15.0%	-1.8%	14.2%	6.0%
RPM	16.6%	15.1%	15.9%	17.9%	16.2%	17.0%	16.5%	17.3%	16.9%
Net income	1,323	888	2,211	1,558	1,266	2,824	1,400	1,440	2,840
YoY	5.6%	-10.3%	-1.4%	17.7%	42.6%	27.7%	-10.2%	13.8%	0.6%
Operating profit	1,855	1,679	3,533	2,114	2,044	4,158	2,150	2,350	4,500
Parking Lot	1,444	1,467	2,912	1,564	1,767	3,332			3,140
Domestic Parking Lot	1,430	1,424	2,854			3,274			
Overseas Parking Lot	14	44	58			58			
Ski Resort	195	430	625	158	472	630			700
Theme Park	476	71	548	636	-33	603			610
Other	19	15	34	23	87	110			
Adjustments	-280	-305	-585	-267	-250	-517			
Parking Lot (incl. adj.)	1,165	1,162	2,327	1,298	1,517	2,815			
Domestic	1,151	1,119	2,269			2,757			
Overseas	14	44	58			58			
Ski Resort business	FY07/18	FY07/19	FY07/20 Est.						
(JPYmn)	1H	2H	FY	1H	2H	FY	1H	2H	FY
Sales	3,144	3,276	6,420	3,187	3,441	6,629	3,430	3,470	6,900
YoY	4.1%	4.6%	4.4%	1.4%	5.1%	3.2%	7.6%	0.8%	4.1%
Operating profit	195	430	625	158	472	630	170	530	700
YoY	14.7%	57.4%	41.1%	-18.9%	9.7%	0.8%	7.7%	12.3%	11.1%
OPM	6.2%	13.1%	9.7%	5.0%	13.7%	9.5%	5.0%	15.3%	10.1%
Recurring profit	193	421	614	158	477	635	160	530	690
YoY	14.9%	54.6%	39.5%	-18.0%	13.3%	3.5%	1.2%	11.1%	8.7%
RPM	6.1%	12.8%	9.6%	5.0%	13.9%	9.6%	4.7%	15.3%	10.0%
Net income	144	235	379	115	492	607	80	360	440
YoY	147.1%	25.8%	54.5%	-20.2%	109.1%	60.1%	-30.2%	-26.9%	-27.5%
Visitors in winter ('000)	751	913	1,664	738	956	1,694			
YoY	3.9%	1.4%	2.5%	-1.7%	4.7%	1.8%			

Source: Shared Research based on company data

Note: Figures may differ from company materials due to differences in rounding methods.

FY07/20 company forecast (Initial forecast)

For FY07/20, NPD forecasts sales of JPY26.0bn (+6.6% YoY) and operating profit of JPY4.5bn (+8.2% YoY).

Parking Lot business

FY07/20 forecast: Sales of JPY15.0bn (+7.7% YoY) and operating profit of JPY3.1bn (+11.6% YoY).

- ▷ Domestic: The company mostly completed profitability improvement initiatives for loss generating properties and improved monthly parking contract ratios at existing facilities by the end of FY07/19. Going forward, the company will focus on finding new properties.
- ▷ Thailand: In order to expand the number of facilities operated, the company plans to take an area dominant strategy in key regions. It will also focus on strengthening ties with the Toyota Group. In addition to managing the parking lot of the commercial complex operated by a joint company between the Don Quijote Group and Thailand's largest paint maker TOA Group, NPD intends to work on finding new commercial complex parking lot management contracts within Thailand.
- ▷ S. Korea: Similar to Japan, S. Korea has many underutilized mechanical parking facilities. In order to address the large parking lot market, the company plans to actively hire local employees, strengthen its organization, and increase the number of managed properties.
- ▷ Other countries: Leveraging its operating history for large parking lots, Japanese-style detailed operational service, and strong proposal capabilities stemming from years of specialized knowledge, NPD plans to pitch proposals to property owners and

property management companies (including non-Japanese companies). NPD also plans to engage in parking lot related consulting services.

Ski Resort business

FY07/20 forecast: Sales of JPY6.9bn (+4.1% YoY) and operating profit of JPY700mn (+11.1% YoY).

- ▷ The company plans to use Hakuba Valley's Hakuba Mountain Beach and Hakuba Mountain Harbor facilities during the winter season by improving the facilities to attract domestic and inbound visitors.
- ▷ NPD intends to increase its global visibility and attract inbound visitors by maintaining its long-term alliance contract with Vail Resorts and continuing the partnership for Epic Pass.
- ▷ In order to reduce seasonal variations in business performance, the company will continue to consider summer season opportunities and invest when appropriate.
- ▷ As for acquiring new ski resorts or related businesses, NPD will carefully observe market trends and acquire when appropriate.

Theme Park business

FY07/20 forecast: Sales of JPY3.6bn (+8.9% YoY) and operating profit of JPY610mn (+1.1% YoY).

- ▷ NPD plans to introduce new amusement equipment and proactively host events in order to improve customer satisfaction and create repeat customers.
- ▷ In addition to introducing new attractions every year, the company plans to increase traffic to the entire Nasu area by offering community-wide promotion campaigns like offering free entrance to customers of nearby hotels.
- ▷ NPD also plans to develop a new customer base by operating in the evenings during Golden Week holidays and summer vacation, mainly offering illumination shows.
- ▷ As for acquiring new theme parks, NPD will carefully observe market trends and acquire when appropriate.

This note is the most recent addition to the [full report](#).

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