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September 25, 2012
AEON CO., LTD.
MaxValu Chubu Co., Ltd.
MAXVALU CHUKYO CO., LTD.

Aeon's Subsidiaries Concluded Merger Agreement

Aeon Co., Ltd. hereby announces that its consolidated subsidiaries, MaxValu Chubu Co., Ltd. (hereafter "MaxValu Chubu") and MaxValu Chukyo Co., Ltd. (hereafter "MaxValu Chukyo"), concluded the merger agreement upon resolution of the board meeting of each company held today, with MaxValu Chubu being the surviving company.

1. Purpose of the merger

The supermarket (SM) segment faces the fierce competitions with SM operators as well as other business types and formats including drugstores, convenience stores and E-commerce. Taking into account this environment, MaxValu Chubu and MaxValu Chukyo reached the conclusion that the merger of businesses in the same Chukyo area is the best way for attaining the sustainable growth on the base of integrated strengths.

MaxValu Chubu operates 89 stores in Mie, Aichi, Gifu and Shiga prefectures under the trade names of "MaxValu," "The Big Express," "Value Center" and "Mrs. Smart." This company focuses on agricultural, meat and deli products as the core business, actively handling the famous brand "Matsuzaka" beef and other local specialties.

MaxValu Chukyo inaugurated in December 2009 and currently operates 10 supermarkets mainly targeting urban customers under the trade names of "MaxValu," "MaxValu Grand" and "MaxValu Express."

Taking the opportunity of the merger, new company will further strengthen the assortment in competitive pricing, leveraging the Group management resources including "Topvalu," our PB product line, logistic and merchandise procurement functions. The company will further drive the growth on the consolidated operational base with synergies gained through efforts reducing redundancies in corporate functions and integrating logistic and merchandise procurement.

New MaxValu Chubu will move forward to the leading company in Mie, Aichi, Gifu and Shiga prefectures in alignment with its mission, "serving to customers."

2. Number of Stores (as of September 25, 2012)

	MaxValu Chubu					MaxValu Chukyo				Total
	MV	The Big Express	Valu Center	Mrs. Smart	Sub total	MV	MV Grand	MV Express	Sub total	
Mie	46	1	5	4	55	0	0	0	0	55
Aichi	21	5	1	0	27	6	1	1	8	35
Gifu	2	0	0	0	2	2	0	0	2	4
Shiga	5	0	0	0	5	0	0	0	0	5
Total	74	6	6	3	89	8	1	1	19	99

*MV is the abbreviation of MaxValu.

3. Impact to Aeon Co., Ltd. consolidated financial forecast for fiscal year ending February 2013

The impact of this merger to Aeon Co., Ltd. consolidated result will not be material.

For further information, please refer to the timely disclosure document dated September 25 titled "Announcement of merger agreement concluded between MaxValu Chubu and MaxValu Chukyo."