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March 29, 2013

AEON CO., LTD.

### Aeon to Make Daiei a Consolidated Subsidiary

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We are pleased to announce that Aeon Co., Ltd. (“Aeon”) and Marubeni Corporation (“Marubeni”) have on March 27, 2013 signed a new Strategic Partnership Agreement, under which Aeon will carry out a takeover bid (TOB) of Daiei, Inc. (“Daiei”) by purchasing 24.34% of Marubeni’s 29.34% stake in Daiei and making the retailer its consolidated subsidiary.

Under its partnership with Marubeni, Aeon has since 2007 been making efforts to turn around Daiei’s performance. However, the two companies have concluded that in order to optimize support it is necessary for Daiei to become a consolidated subsidiary of Aeon, which operates within the same industry. This has led to the decision to carry out the TOB.

Aeon’s initial investment in the TOB totals approximately 13 billion yen, which is equivalent to the purchase price of Marubeni’s 24.34% stake in Daiei. Even after adding Daiei’s interest-bearing debt of approximately 46 billion yen, this figure is significantly smaller than the value of Daiei’s net assets, which are worth approximately 130 billion yen. This means that the financial burden imposed on Aeon by the deal is limited. Aeon has had previous success in turning around Yaohan and Mycal in short periods of time (five and four years, respectively) and we intend to build on this while drawing upon the know-how accumulated during our earlier efforts to improve the management of Daiei.

Of Daiei’s approximately 130 general merchandise stores nationwide, 90, or around 70%, are located in the three major metropolitan areas of Tokyo, Chukyo, and Hanshin. Daiei also has 300 stores in the supermarket and discount store categories. We therefore believe that Daiei’s inclusion in the Aeon Group will contribute to the significant progress of Urban Shift, one of our growth strategies. Furthermore, we expect that the introduction and utilization of our distribution network, WAON e-money, and Topvalu private brand as well as the enhanced economy of scale achieved through demand aggregation will generate tremendous synergies at both Daiei and Aeon, which should significantly contribute to the growth of both companies.

In terms of cost, while Daiei’s consolidated SG&A rate currently exceeds 37%, the Aeon Group plans to open about 50 shopping centers in Japan and abroad over the next three years, offering opportunities for

competent Dai-ichi personnel to play an active role. Additionally, by taking advantage of Aeon's credit rating it will be possible to reduce interest costs, such as those related to leasing fees, and interest rates. The leveraging of such strengths should have the effect of lowering Dai-ichi's breakeven point.

We are confident that by bringing Dai-ichi's numerous managerial resources, including personnel, together with those of Aeon, we will succeed in enriching our customers' lives as well as improving shareholder value, resulting ultimately in the development and greater international competitiveness of Japan's retail industry.

Aeon is committed to continuing to provide information to our stakeholders. We appreciate your ongoing support.