

February 24, 2012

**For Immediate Release**

Company Name: PARCO Co., Ltd.  
 Company Representative: Kozo Makiyama,  
 President, Representative Executive Officer  
 Stock code: 8251, TSE 1st Section  
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**Offering of shares and resulting changes of major shareholders,  
 largest shareholder and “other related companies”**

Based on an agreement between Mori Trust Co., Ltd. and J. FRONT RETAILING Co., Ltd. under which Mori Trust Co., Ltd. will transfer shares of common stock of PARCO Co., Ltd. (“PARCO”) to J. FRONT RETAILING Co., Ltd. and the appropriate procedure under law for such transfer, PARCO will conduct an offering of its shares, and this will result in changes to PARCO’s major shareholders, largest shareholder and “other related companies.” The details are as follows.

**I. Offering of shares**

1. Overview

- |     |   |   |
|-----|---|---|
| (1) | Class and number of shares to be offered  | 27,400,000 shares of PARCO common stock   |
| (2) | Offer price   | ¥1,100 per share<br><br>The above offer price was decided based on discussions between the parties listed in (5) Method of offer  |
| (3) | Total amount to be paid   | ¥30,140,000,000   |
| (4) | Owner of shares being offered and no. of shares   | Mori Trust Co., Ltd. 27,400,000 shares  |
| (5) | Method of offer   | Transfer of PARCO common stock from Mori Trust Co., Ltd. to J. FRONT RETAILING Co., Ltd.  |
| (6) | Subscription period   | Feb. 24, 2012   |
| (7) | Delivery date   | Date after completion of procedures based on the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade, which will be separately agreed by the parties listed in (5) Method of offer |
| (8) | Advances on subscription  | No applicable items   |
| (9) | A securities registration statement has been filed under the Financial Instruments and Exchange Act of Japan with respect to each item above. |   |



## 2. Objective

Mori Trust Co., Ltd., which was strongly aware through its business and capital alliance with PARCO that PARCO's strength lies in urban shopping complexes, and J. FRONT RETAILING Co., Ltd., which has long been strongly interested in PARCO's business models and expertise, together agreed on a negotiated transfer of PARCO shares. Therefore, a transfer by means of share offering is being conducted as the procedure stipulated under the relevant laws and ordinances.

## II. Planned changes of major shareholders and largest shareholder

### 1. Background

The following changes to major shareholders and the largest shareholder will occur as a result of the completion of the transfer of PARCO shares outlined in "I. Offering of shares."

### 2. Overview of shareholders subject to change

#### (1) Overview of major shareholder that will no longer be largest shareholder

(1) Company name	Mori Trust Co., Ltd.
(2) Address	Toranomon 2-3-17, Minato-ku, Tokyo
(3) Name and title of representative	Akira Mori, President & CEO
(4) Main business	Urban development, hotel management and investment business
(5) Capital	¥10,000 million

#### (2) Overview of new major shareholder and largest shareholder

(1) Company name	J. FRONT RETAILING Co., Ltd.
(2) Address	10-1, Ginza 6-chome, Chuo-ku, Tokyo
(3) Name and title of representative	Tsutomu Okuda, Chairman and CEO
(4) Main business	Business planning, administration and related operations of subsidiaries and group companies engaged in department store and other business
(5) Capital	¥30,000 million

### 3. No. of shares (voting rights) and percentage of total voting rights of all shareholders before and after change

#### (1) Mori Trust Co., Ltd.



	Number of voting rights (Number of shares held)	Percentage of total voting rights of all shareholders	Shareholder ranking
Before change (as of Nov. 30, 2011)	274,000 (27,400,000)	33.24%	No. 1
After change	—	—	—

(2) J. FRONT RETAILING Co., Ltd.

	Number of voting rights (Number of shares held)	Percentage of total voting rights of all shareholders	Shareholder ranking
Before change (as of Nov. 30, 2011)	—	—	—
After change	274,000 (27,400,000)	33.24%	No. 1

- Notes.
1. “Percentage of total voting rights of all shareholders” and “Shareholder ranking” before and after the change in each table are based on the shareholder register as of Nov. 30, 2011.
  2. 43,777 shares without voting rights have been deducted from the total number of outstanding shares.  
The total number of outstanding shares as of Nov. 30, 2011 was 82,475,677 shares.

4. Planned date of change

The delivery date for the offering of PARCO shares listed in “I. Offering of shares, 1. Overview.”

**III. Planned changes of “other related companies”**

1. Background

The following changes to “other related companies” will occur on completion of the transfer of PARCO shares outlined in “I. Offering of shares.”

2. Overview of companies that will no longer be “other related companies”

(1) Mori Trust Co., Ltd.

(1) Company name	Mori Trust Co., Ltd.
(2) Address	Toranomon 2-3-17, Minato-ku, Tokyo
(3) Name and title of	Akira Mori, President & CEO

	representative	
(4)	Main business	Urban development, hotel management and investment business
(5)	Capital	¥10,000 million
(6)	Established	June 1970
(7)	Consolidated net assets	¥217,986 million (as of Mar. 31, 2011)
(8)	Consolidated total assets	¥844,976 million (as of Mar. 31, 2011)
(9)	Major shareholders and ownership interests	Mori Trust Holdings Inc. 100%
(10)	Relationships with PARCO	Capital relationships Said company owns 33.22% of PARCO's outstanding shares
		Personnel relationships Two executives/employees of said company concurrently serve as directors of PARCO
		Business relationships PARCO operates the PEDI SHIODOME shopping complex in the Tokyo Shiodome Building, which was developed by said company and one other company

(2) Mori Trust Holdings Inc.

(1)	Company name	Mori Trust Holdings Inc.
(2)	Address	Toranomon 2-3-17, Minato-ku, Tokyo
(3)	Name and title of representative	Akira Mori, President & CEO
(4)	Main business	Holding stock of group companies
(5)	Capital	¥51 million
(6)	Established	Aug. 1951
(7)	Net assets	¥71,149 million (as of Mar. 31, 2011)
(8)	Total assets	¥164,440 million (as of Mar. 31, 2011)

(9)	Major shareholders and ownership interests	Miwako Date	66.27%
		Satoshi Mori	15.00%
		Aiko Negishi	10.13%
		Akira Mori	5.00%
		(as of Mar. 31, 2011)	
(10)	Relationships with PARCO	Capital relationships	A subsidiary of said company owns 33.22% of PARCO's outstanding shares
		Personnel relationships	Two executives/employees of the subsidiary of said company concurrently serve as directors of PARCO
		Business relationships	PARCO operates the PEDI Shiodome shopping complex in the Tokyo Shiodome Building, which was developed by a subsidiary of said company and one other company

3. Number and percentage of voting rights held by Mori Trust Co., Ltd. and Mori Trust Holdings Inc. before and after change

(1) Mori Trust Co., Ltd.

	Relationship	Number of voting rights (percentage of voting rights held)		
		Directly held	Indirectly held	Total
Before change	Other related company	274,000 (33.24%)	—	274,000 (33.24%)
After change	—	—	—	—

(2) Mori Trust Holdings Inc.

	Relationship	Number of voting rights (percentage of voting rights held)		
		Directly held	Indirectly held	Total
Before change	Other related company	—	274,000 (33.24%)	274,000 (33.24%)
After change	—	—	—	—

Note: "Number of voting rights (percentage of voting rights held)" before and after change in each table is based on the shareholder register as of Nov. 30, 2011.

4. Overview of new "other related company"

(1)	Company name	J. FRONT RETAILING Co., Ltd.
(2)	Address	10-1, Ginza 6-chome, Chuo-ku, Tokyo
(3)	Name and title of representative	Tsutomu Okuda, Chairman and CEO
(4)	Main business	Business planning, administration and related operations of

		subsidiaries and group companies engaged in department store and other business																					
(5)	Capital	¥30,000 million																					
(6)	Established	Sept. 2007																					
(7)	Consolidated net assets	¥326,619 million (as of Nov. 30, 2011)																					
(8)	Consolidated total assets	¥794,024 million (as of Nov. 30, 2011)																					
(9)	Major shareholders and ownership interests	<table border="0"> <tr> <td>The Master Trust Bank of Japan, Ltd. (Trust Account)</td> <td>7.24%</td> </tr> <tr> <td>Japan Trustee Services Bank, Ltd. (Trust Account)</td> <td>6.43%</td> </tr> <tr> <td>Nippon Life Insurance Company</td> <td>5.39%</td> </tr> <tr> <td>J. Front Retailing Kyoei Supplier Shareholding Association</td> <td>2.72%</td> </tr> <tr> <td>The Bank of Tokyo-Mitsubishi UFJ, Ltd.</td> <td>2.66%</td> </tr> <tr> <td>The Dai-ichi Mutual Life Insurance Company</td> <td>2.15%</td> </tr> <tr> <td>Tokio Marine &amp; Nichido Fire Insurance Co., Ltd.</td> <td>1.56%</td> </tr> <tr> <td>Employee Shareholding Association of J. Front Retailing</td> <td>1.45%</td> </tr> <tr> <td>Rabobank Nederland Tokyo Branch</td> <td>1.33%</td> </tr> <tr> <td>Japan Trustee Services Bank, Ltd. (Sumitomo Mitsui Banking Corporation Retirement Benefit Trust Account re-entrusted by The Sumitomo Trust &amp; Banking Co., Ltd.)</td> <td>1.20%</td> </tr> </table> <p>(As of Aug. 31, 2011)</p>		The Master Trust Bank of Japan, Ltd. (Trust Account)	7.24%	Japan Trustee Services Bank, Ltd. (Trust Account)	6.43%	Nippon Life Insurance Company	5.39%	J. Front Retailing Kyoei Supplier Shareholding Association	2.72%	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	2.66%	The Dai-ichi Mutual Life Insurance Company	2.15%	Tokio Marine & Nichido Fire Insurance Co., Ltd.	1.56%	Employee Shareholding Association of J. Front Retailing	1.45%	Rabobank Nederland Tokyo Branch	1.33%	Japan Trustee Services Bank, Ltd. (Sumitomo Mitsui Banking Corporation Retirement Benefit Trust Account re-entrusted by The Sumitomo Trust & Banking Co., Ltd.)	1.20%
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(10)	Relationships with PARCO	Capital relationships	No applicable items																				
		Personnel relationships	No applicable items																				
		Business relationships	A subsidiary of said company has a store in a PARCO store																				

5. Number and percentage of voting rights held by J FRONT RETAILING Co., Ltd. before and after change

	Relationship	Number of voting rights (percentage of voting rights held)		
		Directly held	Indirectly held	Total
Before change	—	—	—	—
After change	Other related company	274,000 (33.24%)	—	274,000 (33.24%)

Note: “Number of voting rights (percentage of voting rights held)” before and after



change is based on the shareholder register as of Nov. 30, 2011.

6. Planned date of change

The delivery date for the offering of PARCO shares listed in “I. Offering of shares, 1. Overview.”

7. Existence of changes in “unlisted parent companies, etc. subject to disclosure”

Mori Trust Co., Ltd. and Mori Trust Holdings Inc. will no longer fall under the category of “unlisted parent companies, etc. subject to disclosure” on the completion of the transfer of PARCO shares outlined in “I. Offering of shares.”

**IV. Impact on results**

PARCO plans to promptly disclose the delivery date outlined in “I. Offering of shares, 1. Overview,” the date of change outlined in “Planned changes of major shareholders and largest shareholder,” and the date of change outlined in “III. Planned changes of “other related companies” as soon as they are finalized.

The impact of these changes on PARCO’s earnings is unclear, but PARCO will disclose all matters that should be disclosed promptly if and when they arise.

PARCO has many points in common with J. FRONT RETAILING Co., Ltd., which positions urban commerce as a core competence, and subject to future discussions PARCO envisages that various kinds of cooperation will be possible. PARCO will promptly disclose matters that should be disclosed as necessary if and when they arise.

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