



August 1, 2012

For Immediate Release:

Company Name: PARCO Co., Ltd.
Company Representative: Kozo Makiyama,
President, Representative Executive Officer
Stock Code: 8251, TSE 1st Section
Inquiries: Akio Kobayashi,
Senior Manager, Public Relations Office

Change in Major Shareholder

PARCO Co., Ltd. (the “**Company**”) hereby announces that, as of August 1, 2012, the major shareholder of the Company has changed as follows:

1. Background

As a result of the exercise by Development Bank of Japan Inc. (“**DBJ**”) on August 1, 2012, of all of the share options attached to the PARCO Co., Ltd., series No.1 unsecured convertible bonds (bonds with share options) (with inter-convertible bonds with shares options pari passu clause) (the “**Bonds with Share Options**”) issued by the Company and allotted to DBJ pursuant to the resolution adopted at the meeting of the board of directors of the Company held as of August 25, 2010, DBJ has become the new major shareholder of the Company.

In addition, as a result of the decrease in the holding ratio against the total number of voting rights of all shareholders of the company as of August 1, 2012, caused by the increase in the total number of issued shares (18,987,300 shares) due to the above exercise of the share options, AEON Co., Ltd. (“**AEON**”), who has been our major shareholder, is no longer our major shareholder.

2. Overview of Shareholders Subject to Change

(1) Overview of the New Major Shareholder

(i) Name	Development Bank of Japan Inc.
(ii) Location	9-1, Otemachi 1-chome, Chiyoda-ku, Tokyo
(iii) Title and Name of Representative	Toru Hashimoto, President and CEO
(iv) Type of Business	Finance and Insurance
(v) Stated Capital	1,198,316 million yen

(2) Overview of the Shareholder who is no longer our Major Shareholder

(i) Name	AEON, Co, Ltd.
(ii) Location	5-1, Nakase 1-chome, Mihama-ku, Chiba-shi, Chiba
(iii) Title and Name of Representative	Motoya Okada, Director, Representative Executive Officer and President
(iv) Type of Business	Management of business activities of companies engaged in the operation of chain stores and shopping centers, and foreign companies engaged in business equivalent thereto thorough holding shares of, or interests in such companies.

(v) Stated Capital	199,054 million yen
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3. Number of Shares (Voting Rights) Held and Percentage thereof to the Number of Total Voting Rights of All Shareholders Before and After the Change

(1) DBJ

	Number of Voting Rights (Number of Shares Held)	Percentage to the Number of Total Voting Rights of All Shareholders	Shareholder Ranking
Before Change (As of May 31, 2012)	—	—	—
After Change	189,873 (18,987,300 shares)	18.72%	No. 2

(2) AEON

	Number of Voting Rights (Number of Shares Held)	Percentage to the Number of Total Voting Rights of All Shareholders	Shareholder Ranking
Before Change (As of May 31, 2012)	82,729 (8,272,900 shares)	10.04%	No. 2
After Change	82,729 (8,272,900 shares)	8.16%	No. 3

Note 1: Each of the columns for before and after the change in each table is based on the shareholders' register as of May 31, 2012 (as for the column after the change, the results of the exercise of all share options attached to the Bonds with Share Options are also taken into consideration).

Note 2: When calculating the "Percentage to the Number of Total Voting Rights of All Shareholders", the number of voting rights of the total number of issued shares from which the number of the shares without voting rights is deducted is used as the "Number of Total Voting Rights of All Shareholders". The total number of issued shares and the number of shares deducted from the total number of issued shares as shares without voting rights before and after the changes are as follows: (The "Percentage to the Number of Total Voting Rights of All Shareholders" is rounded off to the second decimal point.)

(Before change)

Total number of issued shares as of May 31, 2012	82,475,677 shares
Number of shares deducted from the total number of issued shares as shares without voting rights	43,577 shares

(After change)

Total number of issued shares as of August 1, 2012	101,462,977 shares
Number of shares deducted from the total number of issued shares as shares without voting rights	43,577 shares

Note 3: Although a "Change Report No. 4" ("**Change Report**") has been submitted by AEON to the Kanto Local Finance Bureau on June 3, 2011 (the date on which AEON became obliged to submit the Change Report is May 28, 2011), we have not been able to confirm the number of shares actually held by AEON as of May 31,

2012. The details of the relevant report are as follows:

Name	Address or Location of Head Office	Number of Share Certificates, etc. Held	Percentage of Share Certificates Held
AEON Co., Ltd.	5-1, Nakase 1-chome, Mihama-ku, Chiba-shi, Chiba	10,133,800 shares Details: Main text of Article 27-23, Paragraph 3 of the Financial Instruments and Exchange Act: 8,272,900 shares Item 2 of the same Paragraph: 1,860,900 shares	12.29%

4. Future Prospects

According to the “Announcement of Commencement of Tender Offer for Shares in PARCO CO., LTD. and Execution of the Capital and Business Alliance Agreement with PARCO CO., LTD.” published by J. FRONT RETAILING Co., Ltd. (the “**Tender Offeror**”) as of July 5, 2012, the Tender Offeror has entered into a tender offer acceptance agreement as of the same date with DBJ, under which the Tender Offeror and DBJ have agreed that (i) DBJ shall exercise all of its share options attached to the Bonds with Share Options (the number of the share options as of July 5, 2012 is 150 options, and the number of shares to be issued upon the exercise of the share options as of July 5, 2012 is 18,987,300 shares) (the “**Conversion**”) before August 1, 2012 (or, if the Tender Offer Period is extended before DBJ implements the Conversion, the 13th business day prior to the last day (exclusive) of the Tender Offer Period after such extension); and (ii) DBJ shall tender all of 18,987,300 shares issued or delivered to it upon the Conversion to the Tender Offer.

If DBJ tenders all of the common shares of the Company acquired through the Conversion pursuant to (ii) above and the Tender Offer is completed, the number of voting rights (number of shares) held by DBJ after the change described in “3. Number of Shares (Voting Rights) Held and Percentage thereof to the Number of Total Voting Rights of All Shareholders Before and After the Change” above will decrease. If DBJ will be no longer our major shareholder as a result of such decrease, we would promptly make an announcement to that effect.

The Company’s operating results will not be impacted by the announced change in the major shareholders.

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