

各 位

会社名	株式会社大丸
代 表 者 名	代表取締役会長兼最高経営責任者
	奥 田 務
コード番号	8234 東証、大証第1部
問 合 せ先	グループ本社 経営計画本部
	広報·IR部長 福山一郎
TEL	(06) 6281-9002
会社名	株式会社松坂屋ホールディングス
代 表 者 名	代表取締役社長 茶村 俊 一
コード番号	3051 東証、名証第1部
問 合 せ先	広報·IR室長 松田伸治
TEL	(052) 264-7025

株式移転計画書の作成及び最終契約書締結について

株式会社大丸(以下「大丸」という。)と株式会社松坂屋ホールディングス(以下「松坂屋 HD」という。)は、 本日開催のそれぞれの取締役会において「株式移転計画書」を作成し「経営統合に関する合意書」(以下、 「最終契約書」という。)を締結することを決議いたしました。両社は、本年5月24日開催のそれぞれの株主 総会による承認を前提として、平成19年9月3日に、株式移転により、J.フロントリテイリング株式会社 (以下「持株会社」という。)を設立(以下「本株式移転」という。)することとなりましたので、お知らせいたしま す。

記

1.株式移転による経営統合の目的

大丸及び松坂屋 HD は、経営統合を通じた企業価値の最大化を目的として、品揃えやサービスの充実に よるお客様満足の向上と、両社の経営資源の最適活用による収益力と業務効率の向上を実現させ、「百貨 店事業を核とした質量ともに日本を代表する小売業界のリーディングカンパニー」の地位確立を目指してま いります。

2.株式移転要旨

(1)株式移転の日程

平成 19 年 2 月 28 日	株主総会基準日(両社)
平成 19 年 3 月 14 日	基本合意書締結(両社)
平成 19 年 4 月 9 日	最終契約書及び株式移転計画書承認取締役会(両社)
平成 19 年 4 月 9 日	最終契約書締結(両社)
平成 19 年 5 月 24 日(予定)	株式移転計画書承認株主総会(両社)
平成 19 年 8 月 28 日(予定)	上場廃止(両社)
平成 19 年 9 月 3 日(予定)	株式移転の効力発生日
	持株会社設立登記日

平成 19 年 9 月 3 日(予定) 持株会社株式上場日 平成 19 年 10 月下旬(予定) 持株会社株券交付日

但し、今後手続きを進める中で、両社協議の上、日程又は統合形態を変更する場合があります。

(2) 株式移転比率

持株会社は、普通株式 545,058,328 株の新株式を発行する予定(注 1)であり、大丸の普通株式 1 株に対して持株会社の普通株式 1.4 株を、松坂屋 HD の普通株式 1 株に対して持株会社の普通株式 1 株をそれぞれ割り当て交付いたします。但し、上記株式移転比率は、算定の基礎となる諸条件に重 大な変更が生じた場合は、両社協議の上、変更することがあります。

大丸及び松坂屋 HD は、本株式移転に用いられる株式移転比率の算定にあたって公正性を期すため、大丸は野村證券株式会社(以下「野村證券」という。)を、松坂屋 HD は日興シティグループ証券株式会社(以下「日興シティグループ」という。)を今回の経営統合のためのファイナンシャル・アドバイザーとして任命しそれぞれ株式移転比率の算定を依頼し、株式移転比率算定書を受領いたしました。

大丸は、野村證券による株式移転比率の算定結果を参考に、松坂屋 HD は、日興シティグループに よる株式移転比率の算定結果を参考に、それぞれ両社の財務の状況、資産の状況、将来の見通し等 の要因を総合的に勘案し、両社で株式移転比率について慎重に協議を重ねた結果、最終的に上記株 式移転比率が妥当であるとの判断に至り合意いたしました。

なお、株式移転比率の算定の基礎及び経緯につきましては、平成 19 年 3 月 14 日に公表いたしまし たプレスリリースに記載されている内容に変更はございません。

(注 1)但し、持株会社設立の直前までに新株予約権の行使等がなされた場合は、持株会社が発行す る株式数は変動することがあります。

(3) 算定機関との関係

算定機関である野村證券は、大丸の関連当事者には該当いたしません。 また、日興シティグループは、松坂屋 HD の関連当事者には該当いたしません。

(4) 両社発行の新株予約権(ストックオプション)に関する取り扱い

大丸及び松坂屋 HD が発行している新株予約権は、全て持株会社の新株予約権として存続させる予 定です。

(5) 経営統合の推進体制

基本合意締結後に大丸会長、松坂屋 HD 社長を委員長とする統合準備委員会と、具体的なテーマ毎の分科会を組織しております。本日以降も引き続きこれらの組織を中心として経営統合を推進いたします。

(6) 持株会社の上場申請に関する事項

大丸及び松坂屋 HD は、新たに設立する持株会社の株式について、東京証券取引所、大阪証券取引 所及び名古屋証券取引所に新規上場申請を行う予定です。

3.株式移転の当事会社の概要

休式移	多転の当事会社の概要						
(1)	商号	大丸			松坂屋 HD		
(2)	主な事業内容	百貨店業を中心とした小売業		百貨店業を中心とする子会社の			
				経営戦略・管理並びにそれらに			
				付帯する業務			
(3)	設立年月日	大正9年4月16日			平成 18 年 9 月 1 日		
(4)	本店所在地	大阪市中央区心斎橋筋			名古屋市中区栄三丁目		
		一丁目7番1号			16 番 1 号		
(5)	代表者役職·氏名	代表取締役会長兼最高	経営	責	代表取締役社長		
		任者(CEO)			茶村 俊一		
		奥田 務					
(6)	資本金	20,283 百万円(H19.02 未	(9,765 百万円(H18.08 末)		
(7)	発行済株式総数	270,830 千株(H19.02 末)			165,895 千株(H18.08 末)		
(8)	純資産	109,308 百万円(H19.02 э	末)		68,671 百万円(H18.08 末)		
(9)	総資産	375,513 百万円(H19.02 э	末)		216,597 百万円(H18.08 末)		
(10)	決算期	2月末日			2月末日		
(11)	従業員数	6,201 人(H19.02 末)			3,968 人(H18.08 末)		
(12)	取引先	一般顧客			一般顧客		
(13)	大株主及び	(H19.02 末)			(H18.08 末)		
	持株比率	日本生命保険相互会	6.04	.%	第一生命保険相互会 5.35%		
		社			社		
		日本マスタートラスト信	6.00	%	エイチエスビーシーファ 3.76%		
		託銀行株式会社(信託			ンドジェイツー		
		日本トラスティ・サービス	5.65	%	日本生命保険相互会 3.60%		
		信託銀行株式会社(信			社		
		託口)					
		株式会社三菱東京 UFJ	3.54	.%	松和会 3.15%		
		銀行					
		大丸共栄持株会	2.10	%	株式会社三菱東京 UFJ 2.69%		
					銀行		
(14)	主要取引銀行	(株)三菱東京 UFJ 銀行			(株)三菱東京 UFJ 銀行		
		(株)三井住友銀行		(株)みずほ銀行			
		住友信託銀行(株)		(株)りそな銀行			
(15)	当事会社の関係	資本関係		該	当事項はありません。		
		人的関係		該	当事項はありません。		
		取引関係		該	当事項はありません。		
		関連当事者への該当状況]	該	当事項はありません。		
(注)		$(6) \sim (0) (11) \operatorname{T575}(12) \sigma$	米カノ店	ī 1+	株式会社松坂屋の数値を使用		

(注 2)上記松坂屋 HD の(6)~(9)、(11)及び(13)の数値は、株式会社松坂屋の数値を使用 している。

(16) 最近の連結業績推移

	大丸				松坂屋 HD		
	H16/2	H17/2	H18/2	H19/2	H16/2	H17/2	H18/2
	実績						
(百万円)	818,870	810,693	822,584	837,032	375,280	345,762	343,936
営業利益	23,345	26,136	30,678	34,671	2,414	4,835	7,087
(百万円)	, 	,	,	,	, 	,	,
経常利益 (百万円)	22,243	25,387	30,170	33,353	2,345	4,678	7,660
当期純損益 (百万円)	11,879	14,499	16,025	17,304	8,462	2,506	5,519
1株当たり当期 純損益(円)	44.12	53.99	60.11	65.65	50.38	14.82	32.21
1株当たり年間 配当金(円)	8.00	9.00	10.00	11.00	5.00	5.00	7.50
1株当たり株主 資本(円)	242.97	289.82	347.88	400.29	341.62	353.41	413.74

(注3)上記松坂屋 HD の数値は、株式会社松坂屋の数値を使用している。なお、松坂屋 H D の H19/2 実績は4月12日に公表予定である。

4.株式移転により新たに設立する会社の状況

(1)商号	J.フロント リテイリン	J.フロント リテイリング株式会社					
(2)事業内容	百貨店業等の事業を行う子会社及びグループ会社の経営計画・管理 並びにそれに付帯する業務						
(3)本店所在地	東京都中央区銀座プ	<丁目 10 番 1 号					
(4)代表者及び役	代表取締役会長	岡田 邦彦	現 松坂屋HD 代表取締役会長				
員の就任予定	代表取締役社長兼 最高経営責任者 (CEO)	奥田 務	現 大丸 代表取締役会長 兼最高経営責任者(CEO)				
	取締役 山本 良一 現 大丸 代表取締役社長 兼最高執行責任者(COG						
	取締役	茶村 俊一	現 松坂屋HD 代表取締役社長				
	取締役	都島 敏明	現 松坂屋HD 専務取締役				
	取締役	小島 喜代三	現 大丸 取締役兼常務執行役員				
	取締役	塚田 博人	現 大丸 取締役兼執行役員				
	取締役(社外)	安永 憲朗	現 大丸 取締役(社外)				
	取締役(社外)	髙山 剛	現 松坂屋HD 取締役(社外)				
常勤監査役 城戸 敏雄 現 大丸 理事 内部							
	常勤監査役	中村 順司	現 松坂屋 業務統括本部人事 総務部長代理				

	監査役(社外)	古田 武	現 大丸 監査役(社外)
	監査役(社外)	清水 定彦	現 松坂屋HD 監查役(社外)
	監查役(社外)	鶴田 六郎	現 弁護士
(5)資本金	300 億円		
(6)純資産	未定		
(7)総資産	未定		
(8)決算期	2月末日		

(9)本株式移転に伴う会計処理の概要

本株式移転は、企業結合会計基準における「取得」に該当するため、パーチェス法を適用する こととなり、被取得会社である松坂屋 HD 及びその子会社の資産及び負債は、持株会社の連結 財務諸表上において時価で計上されることが見込まれています。これに伴い、持株会社は、連結 決算において、現時点で試算すると負ののれんを約 70 億円計上することが見込まれます。金額 及び償却年数等については、確定次第お知らせいたします。

(10)本株式移転による業績への影響の見通し

今後両社にて設置した統合準備委員会及び分科会において、統合後の事業見通し等について検討していきますが、現時点では、平成23年2月期に連結営業利益600億円を達成することを目指しております。

5. その他

本株式移転の効力発生日以降に、持株会社及び松坂屋 HD は必要な諸手続きを経た上で、持株会社を 存続会社とする吸収合併を行う予定です。

なお、本件経営統合は、今後の株主の承認、関係当局への届出、許認可の取得等株式移転に関する諸 条件が充足されること、並びにその他株式移転に支障を来たす重要な事由が発生しないことを前提としま す。

以上

(ご参考)

[Translation]

To whom it may concern:

Corporate Name:	The Daimaru, Inc.
Representative:	Tsutomu Okuda Chairman and Chief Executive Officer
Code No.:	8234, First Section of Tokyo Stock Exchange and Osaka Securities Exchange
Contact:	Ichiro Fukuyama General Manager of the PR & IR Division Management Planning Headquarters
Tel:	(06) 6281-9002
Corporate Name:	Matsuzakaya Holdings Co., Ltd.
Corporate Name: Representative:	Matsuzakaya Holdings Co., Ltd. Shunichi Samura Representative Director and President
	Shunichi Samura
Representative:	Shunichi Samura Representative Director and President 3051, First Section of Tokyo Stock

Rule 802 Legend

This exchange offer or business combination is made for the securities of a foreign company. The offer is subject to disclosure requirements of a foreign country that are different from those of the United States. Financial statements included in the document, if any, have been prepared in accordance with foreign accounting standards that may not be comparable to the financial statements of United States companies.

It may be difficult for you to enforce your rights and any claim you may have arising under the federal securities laws, since the issuer is located in a foreign country, and some or all of its officers and directors may be residents of a foreign country. You may not be able to sue a foreign company or its officers or directors in a foreign court for violations of the U.S. securities laws. It may be difficult to compel a foreign company and its affiliates to subject themselves to a U.S. court's judgments.

You should be aware that the issuer may purchase securities otherwise than under the exchange offer, such as in open market or privately negotiated purchases.

Preparation of Stock-Transfer Plan and Execution of Definitive Agreement

The Daimaru, Inc. ("Daimaru") and Matsuzakaya Holdings Co., Ltd. ("Matsuzakaya HD") resolved at our respective board of directors meetings held today to prepare of the "Stock-Transfer Plan" and execute the "Agreement Regarding Management Integration" (the "Definitive Agreement"). We are pleased to announce that we will jointly incorporate J . FRONT RETAILING Co. , Ltd. (the "Holding Company") by means of stock-transfer (the "Stock-Transfer") on September 3, 2007 on the condition that our respective shareholders meetings to be held on May 24, 2007 approve the Stock-Transfer Plan.

Description

1. Purpose of Management Integration by means of the Stock-Transfer

In order to maximize corporate value through management integration, Daimaru and Matsuzakaya HD will strive to increase customer satisfaction by strengthening product lines and services, optimize both companies' management resources and, thus, realize an increase in profitability and business efficiency. With these efforts, we aim to establish a presence as "the leading Japanese company, in terms of quality and quantity, in the retail industry focusing on the department store business.€35

2. Summary of Stock-Transfer

(1)Schedule of Stock-Transfer February 28, 2007 Record date for shareholders meetings (both companies). March 14, 2007 Execution of the basic agreement (both companies). April 9, 2007 Board of directors meetings to approve the Definitive Agreement and the Stock-Transfer Plan (both companies). April 9, 2007 Execution of the Definitive Agreement (both companies). May 24, 2007 (planned) Shareholders meetings to approve the Stock-Transfer Plan (both companies). August 28, 2007 (planned) Delisting (both companies). September 3, 2007 (planned) Effective date of the Stock-Transfer. Date of registration of incorporation of the Holding Company. September 3, 2007 (planned) Date of listing of the Holding Company. Late October 2007 (planned) Date of delivery of share certificates of the Holding Company.

Please note that, the schedule or form of integration may be changed through mutual consultation of both companies in the course of conduct of the procedures.

(2) Stock-Transfer Ratio

The Holding Company will newly issue 545,058,328 shares of common stock. 1.4 share(s) of common stock of the Holding Company will be allotted and delivered for each share of common stock of Daimaru, and 1.0 share(s) of common stock of the Holding Company will be allotted and delivered for each share of common stock of Matsuzakaya HD. However, the above-mentioned stock-transfer ratio may be changed through mutual consultation between both companies if any underlying condition regarding the basis for the calculation materially changes.

In order to secure the fairness of calculation of the stock-transfer ratio to be used in the Stock-Transfer, Daimaru and Matsuzakaya HD appointed Nomura Securities Co., Ltd. ("Nomura") and Nikko Citigroup Limited ("Nikko Citigroup"), respectively, as financial advisors for the proposed management integration and asked each of them to calculate the stock-transfer ratio. Daimaru and Matsuzakaya HD received the calculation statements of the stock transfer ratio from Nomura and Nikko Citigroup, respectively.

Daimaru (with reference to the stock-transfer ratio calculated by Nomura) and Matsuzakaya HD (with reference to the stock transfer ratio calculated by Nikko Citigroup) comprehensively examined each other's financial condition, status of assets, future prospects and various other factors. After both companies carefully engaged in debate with respect to the stock-transfer ratio, we ultimately determined that the above-mentioned stock-transfer ratio was appropriate and reached an agreement regarding this ratio.

There has been no change with respect to the calculation basis and background of calculation of the stock-transfer ratio disclosed in our press release announced on March 14, 2007.

- (Note 1) Please note that, if any share purchase warrants are exercised or certain other events occur prior to the incorporation of the Holding Company, the number of shares to be issued by the Holding Company may be changed.
- (3) Relationship with Calculation Agent

Nomura acting as calculation agent is not an affiliate of Daimaru.

Nikko Citigroup is not an affiliate of Matsuzakaya HD.

(4) Treatment of Share Purchase Warrants (Stock Options) Issued by Both Companies

All of the share purchase warrants issued by Daimaru and Matsuzakaya HD will remain in existence as those of the Holding Company.

(5) Promotion System of Management Integration

After the execution of the basic agreement, the integration preparatory committee, which is chaired by the Daimaru Chairman and Matsuzakaya HD President, and the section committees for specific areas, were organized. These committees will assume a leading role in continuing to promote the management integration going forward.

(6) Application for Listing of the Holding Company

Daimaru and Matsuzakaya HD will apply for listing of shares of the newly-incorporated Holding Company on the Tokyo Stock Exchange, the Osaka Securities Exchange and the Nagoya Stock Exchange.

3. Outline of Parties to the Stock-Transfer

(1)	Corporate Name	Daimaru	Matsuzakaya HD		
(2)	Principal Business	Retail business, focusing on department store business.	Management strategy and administration of subsidiaries, focusing on the department store business, and any business incidental thereto.		
(3)	Date of incorporation	April 16, 1920	September 1, 2006		
(4)	Location of head office	1-7-1, Shinsaibashisuji, Chuo-ku, Osaka-shi	3-16-1, Sakae, Naka-ku, Nagoyashi		
(5)	Title and Name of Representative	Tsutomu Okuda, Chairman and Chief Executive Officer (CEO)	Shunichi Samura, Representative Director and President		
(6)	Capital	20,283 million yen (as of the end of February 2007)	9,765 million yen (as of the end of August 2006)		
(7)	Total Number of Outstanding Shares	270,830 thousand shares (as of the end of February 2007)	165,895 thousand shares (as of the end of August 2006)		
(8)	Net Assets	109,308 million yen (as of the end of February 2007)	68,671 million yen (as of the end of August 2006)		
(9)	Total assets	375,513 million yen (as of the end of February 2007)	216,597 million yen (as of the end of August 2006)		
(10)	Account Settlement	End of February	End of February		
(11)	Number of Employees	6,201 (as of the end of February 2007)	3,968 (as of the end of August 2006)		
(12)	Customers	General customers	General customers		
(13)	Major Shareholders and Shareholding Ratio	(as of the end of February 2007) Nippon Life Insurance 6.04% Company	(as of the end of August 2006) The Dai-Ichi Mutual 5.35% Life Insurance Company		
		The Master Trust Bank of 6.00%	HSBC Fund J2 3.76%		
		Japan, Ltd. (trust account) Nippon Trustee Services 5.65%	Nippon Life Insurance 3.60% Company		
		Bank, Ltd. (trust account)	Showa-kai 3.15%		
		The Bank of Tokyo- Mitsubishi UFJ, Ltd.3.54%	The Bank of Tokyo- Mitsubishi UFJ, Ltd.2.69%		
		Daimaru Kyoei2.10%Employees' ShareholdingAssociation			
(14)	Main Financing Banks	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		
		Sumitomo Mitsui Banking	Mizuho Bank, Ltd.		
		Corporation	Resona Bank, Ltd.		
		The Sumitomo & Trust Banking Co., Ltd.			
(15)	Relationships between	Capital Relationship	Not applicable.		
	Parties	Personnel Relationship	Not applicable.		
		Business Relationship	Not applicable.		
		Relationship of the affiliated parties	Not applicable.		

(Note 2)

The figures of Matsuzakaya Co., Ltd. are used for those of Matsuzakaya HD in rows (6) to (9), (11) and (13).

	Daimaru			Matsuzakaya HD			
	Ended Feb. 2004 actual	Ended Feb. 2005 actual	Ended Feb. 2006 actual	Ended Feb. 2007 actual	Ended Feb. 2004 actual	Ended Feb. 2005 actual	Ended Feb. 2006 actual
Sales (million yen)	818,870	810,693	822,584	837,032	375,280	345,762	343,936
Operating income (million yen)	23,345	26,136	30,678	34,671	2,414	4,835	7,087
Current income (million yen)	22,243	25,387	30,170	33,353	2,345	4,678	7,660
Net income (loss) (million yen)	11,879	14,499	16,025	17,304	(8,462)	2,506	5,519
Net income (loss) per share (yen)	44.12	53.99	60.11	65.65	(50.38)	14.82	32.21
Annual dividends per share (yen)	8.00	9.00	10.00	11.00	5.00	5.00	7.50
Shareholders' equity per share (yen)	242.97	289.82	347.88	400.29	341.62	353.41	413.74

(Note 3) The figures of Matsuzakaya Co., Ltd. are used for those of Matsuzakaya HD shown above. The actual figures of Matsuzakaya HD ended Feb 2007 are expected to be disclosed on April 12, 2007.

4. Status of Company to be Newly Incorporated upon Stock-Transfer (planned)

(1)	Corporate Name	J. FRONT RETAILING Co., Ltd.					
(2)	Contents of Business	Management planning and administration of subsidiaries and group companies engaging in the department store business and any business incidental thereto.					
(3)	Location of Head Office	6-10-1, Ginza, Chuo-ku, Tokyo					
Office of Represe	Assumption of Office of Representatives	Representative Director and Chairman	Kunihiko Okada	Currently, Representative Director and Chairman of Matsuzakaya HD			
	and Other Officers	Representative Director and President, and Chief Executive Officer (CEO)	Tsutomu Okuda	Currently, Chairman and Chief Executive Officer (CEO) of Daimaru			
		Director	Ryoichi Yamamoto	Currently, President and Chief Operating Officer (COO) of Daimaru			
		Director	Shunichi Samura	Currently, Representative Director and President of Matsuzakaya HD			
		Director	Toshiaki Tsushima	Currently, Senior Managing Director of Matsuzakaya HD			
		Director	Kiyozo Kojima	Currently, Director and Corporate Officer of Daimaru			
		Director	Hiroto Tsukada	Currently, Director and Corporate Officer of Daimaru			
		Director (outside)	Norio Yasunaga	Currently, Director (outside) of Daimaru			

		Director (outside)	Tsuyoshi Takayama	Currently, Director (outside) of Matsuzakaya HD			
		Full-time Corporate Auditor	Toshio Kido	Currently, Associate Director General Manager Internal Audit Division of Daimaru			
		Full-time Corporate Auditor	Junji Nakamura	Deputy Manager of Personnel and General Affairs Department of Business Supervising Division of Matsuzakaya			
		Corporate Auditor (outside)	Takeshi Furuta	Currently, Corporate Auditor (outside) of Daimaru			
		Corporate Auditor (outside)	Sadahiko Shimizu	Currently, Corporate Auditor (outside) of Matsuzakaya HD			
		Corporate Auditor (outside)	Rokuro Tsuruta	Currently, Attorney at Law			
(5)	Capital	30 billion yen					
(6)	Net Assets	Not yet determined.					
(7)	Total Assets	Not yet determined.					
(8)	Account Settlement	End of February					
(9)	Outline of Accounti	ng Treatment in Conjunction	with the Stock-Transfer				
	and the purchase me and its subsidiaries statements of the He approximately 7 bill	t-Transfer will be treated as "purchase" under the accounting standard for business combinations inchase method will apply. The assets and liabilities of Matsuzakaya HD (the purchased company) bidiaries are expected to be recorded at their current value appearing on the consolidated financial s of the Holding Company. As a result, the Holding Company will record negative goodwill of ately 7 billion yen (tentative estimate) on the consolidated financial statements. We will announce at, the amortization period of such negative goodwill, and other items as soon as they are id.					
(10)	Forecast of Business Impact of the Stock-Transfer						
	The integration preparatory committee and section committees established by us consider the business forecast after integration and other subjects. At present, we aim to achieve consolidated operating income of 60 billion yen in the fiscal year ending February 2011.						

5. Other Matters

On or after the effective date of the Stock-Transfer, the Holding Company and Matsuzakaya HD will conduct a merger under which the Holding Company will be the surviving company after the following necessary procedures.

The management integration is subject to the condition that certain requirements concerning the Stock-Transfer (including, without limitation, shareholders' approval, and notification to and acquisition of necessary licenses and permits from the competent authorities) are satisfied and that no material event occurs which might affect the Stock-Transfer.

(ご参考)

[Translation]

To whom it may concern:

Corporate Name:	The Daimaru, Inc.
Representative:	Tsutomu Okuda Chairman and Chief Executive Officer
Code No.:	8234, First Section of Tokyo Stock Exchange and Osaka Securities Exchange
Contact:	Ichiro Fukuyama General Manager of the PR & IR Division Management Planning Headquarters
Tel:	(06) 6281-9002
Corporate Name:	Matsuzakaya Holdings Co., Ltd.
Representative:	Shunichi Samura
	Representative Director and President
Code No.:	Representative Director and President 3051, First Section of Tokyo Stock Exchange and Nagoya Stock Exchange
Code No.: Contact:	3051, First Section of Tokyo Stock

Rule 802 Legend

This exchange offer or business combination is made for the securities of a foreign company. The offer is subject to disclosure requirements of a foreign country that are different from those of the United States. Financial statements included in the document, if any, have been prepared in accordance with foreign accounting standards that may not be comparable to the financial statements of United States companies.

It may be difficult for you to enforce your rights and any claim you may have arising under the federal securities laws, since the issuer is located in a foreign country, and some or all of its officers and directors may be residents of a foreign country. You may not be able to sue a foreign company or its officers or directors in a foreign court for violations of the U.S. securities laws. It may be difficult to compel a foreign company and its affiliates to subject themselves to a U.S. court's judgments.

You should be aware that the issuer may purchase securities otherwise than under the exchange offer, such as in open market or privately negotiated purchases.

Basic Agreement Regarding Management Integration

The Daimaru, Inc. ("Daimaru") and Matsuzakaya Holdings Co., Ltd. ("Matsuzakaya HD") are pleased to announce that we reached a basic agreement to jointly incorporate a holding company by means of stock-transfer, and that we approved a resolution at our respective board of directors meetings held today and entered into the "Basic Agreement Regarding Management Integration" (the "Basic Agreement") as described below.

Description

1. Background and Purpose of Management Integration by Means of Stock-Transfer

The volume of sales of department stores in Japan as a whole indicates a downward trend due to, amongst other causes, increasing competition transcending the sector and specific business category, and further industry consolidation will be inevitable. In addition, as the consumption market is expected to shrink due to a decrease in population, further corporate restructuring and integration is expected to occur, creating a small number of corporate groups with strong competitiveness.

Under these difficult circumstances, Daimaru and Matsuzakaya HD determined that it is best for us to integrate the management of our companies, so as to increase our corporate value through the effective utilization of our respective management resources and know-how.

In order to best utilize our respective community-based businesses, we will promote the management integration with a spirit of equality, respecting each other's history and corporate culture while maintaining the trade name of each department store.

The store locations of both companies' department stores do not conflict. The combination of Daimaru and Matsuzakaya HD is indeed optimal because Daimaru possesses top market share from the Kansai area to the west and Matsuzakaya HD possesses top market share of the Chubu area. This integration will create a nation-wide network, with stores in major cities. We will further increase customer satisfaction by strengthening product lines and services supported by the reinforced operational basis.

In order to maximize corporate value, we will optimize management resources, including personnel, know-how, assets and financial strength of both companies, and quickly further increase profitability and business efficiency.

Both companies will together make efforts to increase corporate value, realize the synergies of integration at an early stage, and establish a presence as the leading Japanese company, in quality and quantity, in the retail industry focusing on the department store business.

2. Effect of Integration

- (1) Improvement of management efficiency by mutually introducing each other's superior knowhow and systems
 - Improvement of management efficiency by sharing low-cost and cost-efficient operating know-how for the entire operation, such as the operation of department stores, related-businesses and back offices.
 - Improvement of investment efficiency, such as efficiencies with respect to the opening, development and refurbishment of stores.
- (2) Realization of reinforced sales capabilities in department store business
 - Improvement of operating efficiency by sharing superior know-how and systems for inventory purchases and sales.

- Improvement of the ability to purchase inventory through a common system and scale expansion.
- Enhancement of business opportunities by expanding the customer base, including card membership.
- Improvement of business efficiency and profitability by co-hosting events and collaborating on sales promotions.
- (3) Strengthening of Tokyo metropolitan area business strategy
 - Strengthening of sales force and improvement of brand value through relocation and expansion of Daimaru's Tokyo store, completion of Matsuzakaya's Ginza project, and other projects in the Tokyo metropolitan area, the largest market in Japan.
- (4) Reinforcement of growth potential by increasing cash flow and building a strong financial position
- (5) Operating efficiency and cost reduction
 - Improvement of operating efficiency and reduction of investment expenses by integrating IT and card systems.
 - Efficient back-office operation supported by reinforced shared service functions.
 - Reduction of unit price and procurement costs through expansion of joint procurement.
- (6) Improvement of human productivity and corporate vitality
 - Efficient human resources management based on fair personnel evaluation and treatment by putting the right person in the right place based on his/her ability and performance.
 - Promotion of transfer of know-how through active personnel exchanges between both companies.
- (7) Improvement of management efficiency through restructuring and integration of affiliated companies

3. Summary of Stock-Transfer

(1) Schedule of Stock-Transfer

February 28, 2007	Record date for shareholders meeting (both companies).
March 14, 2007	Board of directors meetings to approve the Basic Agreement (both companies).
March 14, 2007	Execution of the Basic Agreement (both companies).
April 9, 2007 (planned)	Board of directors meetings to approve the definitive agreement and the stock-transfer plan (both companies).
April 9, 2007 (planned)	Execution of the definitive agreement (both companies).
May 24, 2007 (planned)	Shareholders meetings to approve the stock-transfer plan (both companies).
August 28, 2007 (planned)	Delisting (both companies).

September 3, 2007 (planned)	Effective date of stock-transfer.
	Date of registration of incorporation of the holding company.
September 3, 2007 (planned)	Date of listing of the holding company.
Late October 2007 (planned)	Date of delivery of share certificates of the holding company.

Please note that, the schedule or form of integration may be changed through mutual consultation of both companies in the course of conduct of the procedures.

(2) Stock-Transfer Ratio

Company Name	Daimaru	Matsuzakaya HD		
Stock-Transfer Ratio	1.4	1.0		

(Note 1) 1.4 share(s) of common stock of the holding company will be allotted and delivered for each share of common stock of Daimaru, and 1.0 share(s) of common stock of the holding company will be allotted and delivered for each share of common stock of Matsuzakaya HD.

> However, the above-mentioned stock-transfer ratio may be changed through mutual consultation between both companies if any underlying condition regarding the basis for the calculation materially changes.

(Note 2) Number of new shares to be issued by the holding company (tentative)

545,058,328 shares of common stock

However, if any share purchase warrants are exercised or certain other events occur prior to the incorporation of the holding company, the number of shares to be issued by the holding company may be changed.

- (3) Calculation Basis of Stock-Transfer Ratio, and Other Matters
 - 1) Calculation Basis

In order to secure the fairness of calculation of the stock-transfer ratio to be used in the stock-transfer, Daimaru and Matsuzakaya HD appointed Nomura Securities Co., Ltd. ("Nomura") and Nikko Citigroup Limited ("Nikko Citigroup"), respectively, as financial advisors for the proposed management integration and asked each of them to calculate the stock-transfer ratio. Daimaru and Matsuzakaya HD received the calculation statements of the stock transfer ratio from Nomura and Nikko Citigroup, respectively.

Daimaru (with reference to the stock-transfer ratio calculated by Nomura) and Matsuzakaya HD (with reference to the stock transfer ratio calculated by Nikko Citigroup) examined the adequacy of the above-mentioned stock-transfer ratio.

2) Background of Calculation

Nomura used DCF (discounted cash flow) methods, the market share price averaging method (*shijo kabuka heikin-ho*), the comparable companies method, and other methods with respect to both companies. The results of analysis under each method are as follows:

	Method Used	Calculation Range of Stock- Transfer Ratio	
(1)	DCF method	1.28 ~ 1.52	
(2)	Market share price averaging method	1.69 ~ 1.79	
(3)	Comparable companies method	1.76 ~ 2.14	
Stock	transfer ratio	1.40	
	per of shares of the holding company to be allotted for hare of Daimaru)		

The market share price averaging method designated February 16, 2007 as the reference date, which is the business day immediately preceding February 17, 2007 (the date on which the proposed management integration was reported by the news media), and used the average closing share prices for the periods of one (1) week and one (1) month immediately preceding the reference date, and for the period from the business day immediately following the announcement of the third quarter financial results in the fiscal year ended February 2007 (Daimaru: December 22, 2006; Matsuzakaya HD: January 9, 2007) to the reference date.

In calculating the stock-transfer ratio, Nomura generally utilized the information provided by both companies, information available to the public, and other information, and assumed that all of the materials and information used by it were accurate and complete and did not verify the correctness and completeness thereof. Nomura did not independently value, appraise or assess the assets and liabilities (including any contingency liability) of both companies and their affiliates, including analysis and valuation of each asset and liability, and did not ask any third party institution for appraisal or assessment. In addition, Nomura assumed that the information regarding the financial forecast and expected synergy of both companies was reasonably prepared based on the best predictions and determinations currently available to the management of both companies. Nomura's valuation reflected the information and economic conditions as of March 13, 2007.

In calculating the stock-transfer ratio, Nikko Citigroup mainly used DCF analysis and market share price analysis, and also used the market net asst value analysis (*jika junshisan bunseki*), comparable public companies analysis, and other analysis methods for the purpose of multidimensional valuation. Under the DCF method, Matsuzakaya's Ginza project and other information was comprehensively considered and analyzed. The results of analysis under each method are as follows (for the stock-transfer ratio calculated by Nikko Citigroup, see Note 3 below together with the results of analysis below):

	Analysis Method	Calculation Range of Stock- Transfer Ratio (Note 4)	
1	DCF analysis	1.22 ~ 1.77	
2	Market share price analysis	1.55 ~ 1.73	

(Note 4) The stock-transfer ratio means the number of shares of common stock of the holding company to be allotted for each share of common stock of Daimaru, when one (1) share of common stock of the holding company is allotted for each share of common stock of Matsuzakaya HD.

The market share price analysis used the share price on or after February 3, 2007, the date on which Matsuzakaya's Ginza project was reported by the news media.

Daimaru (with reference to the stock-transfer ratio calculated by Nomura) and Matsuzakaya HD (with reference to the stock-transfer ratio calculated by Nikko Citigroup) comprehensively examined each other's financial conditions, status of assets and future prospects and various other factors. After both companies carefully engaged in debate about the stock-transfer ratio from the middle of February 2007, we determined that the above-mentioned stock-transfer ratio was adequate and reached an agreement regarding this ratio.

3) Relationship with Calculation Agent

Nomura acting as calculation agent is not an affiliate of Daimaru.

Nikko Citigroup is not an affiliate of Matsuzakaya HD.

(4) Treatment of Share Purchase Warrants (Stock Options) Issued by Both Companies

All of the share purchase warrants issued by Daimaru and Matsuzakaya HD will remain in existence as those of the holding company.

(5) Promotion System of Management Integration

The integration preparatory committee, which will be chaired by the Daimaru Chairman and Matsuzakaya HD President, and the section committees for specific areas, will be organized to promote the management integration.

(6) Application for Listing of the Holding Company

Daimaru and Matsuzakaya HD will apply for listing of shares of the newly-incorporated holding company on the Tokyo Stock Exchange, the Osaka Securities Exchange and the Nagoya Stock Exchange.

(1)	Corporate Name	Daimaru	Matsuzakaya HD		
(2)	Principal Business	Retail business, focusing on department store business.Management strategy and administration of subsidia focusing on the department business, and any business incidental thereto.			
(3)	Date of incorporation	April 16, 1920	September 1, 2006		
(4)	Location of head office	1-7-1, Shinsaibashisuji, Chuo-ku, Osaka-shi	3-16-1, Sakae, Naka-ku, Nagoya- shi		
(5)	Title and Name of Representative	Tsutomu Okuda, Chairman and Chief Executive Officer	Shunichi Samura, Representative Director and President		
(6)	Capital	20,283 million yen (as of the end of August 2006)	9,765 million yen (as of the end of August 2006)		
(7)	Total Number of Outstanding Shares	270,830 thousand shares (as of the end of August 2006)	165,895 thousand shares (as of the end of August 2006)		
(8)	Net Assets	99,657 million yen (as of the end of August 2006)	68,671 million yen (as of the end of August 2006)		
(9)	Total assets	371,454 million yen (as of the end of August 2006)216,597 million yen (as of end of August 2006)			
(10)	Account Settlement	End of FebruaryEnd of February			
(11)	Number of Employees	6,329 (as of the end of August 2006)	3,968 (as of the end of August 2006)		

4. Outline of Parties to the Stock-Transfer

(12)	Customers	General customers		General customers		
(13)	Major Shareholders and Shareholding	11		The Dai-Ichi Mutual Life Insurance Company	5.35%	
	Ratio (as of the end of	Nippon Trustee Services Bank, Ltd. (trust account) 5.57%		HSBC Fund J2	3.76%	
	August 2006)	The Master Trust Bank of	2 (10/	Nippon Life Insurance Company	3.60%	
		Japan, Ltd. (trust account)	3.64%	Showa-kai	3.15%	
		The Bank of Tokyo- Mitsubishi UFJ, Ltd.3.54%Nomura Securities Co., Ltd.2.70%		The Bank of Tokyo- Mitsubishi UFJ, Ltd.	2.69%	
(14)	Main Financing Banks	The Bank of Tokyo-Mitsub UFJ, Ltd.	ishi	The Bank of Tokyo-Mitsu UFJ, Ltd.	bishi	
		Sumitomo Mitsui Banking		Mizuho Bank, Ltd.		
		Corporation		Resona Bank, Ltd.		
		The Sumitomo & Trust Banking Co., Ltd.				
(15)	Relationships between	Capital Relationship		Not applicable.		
	Parties	Personnel Relationship		Not applicable.		
		Business Relationship		Not applicable.		
		Relationship of the affiliate parties	d	Not applicable.		

(Note 5) The figures of Matsuzakaya Co., Ltd. are used for those of Matsuzakaya HD in rows (6) to (9), (11) and (13).

(16) Consolidated Business Performance for the Latest Three Fiscal Years

	Daimaru			Matsuzakaya HD		
	Ended Feb. 2004 actual	Ended Feb. 2005 actual	Ended Feb. 2006 actual	Ended Feb. 2004 actual	Ended Feb. 2005 actual	Ended Feb. 2006 actual
Sales (million yen)	818,870	810,693	822,584	375,280	345,762	343,936
Operating income (million yen)	23,345	26,136	30,678	2,414	4,835	7,087
Current income (million yen)	22,243	25,387	30,170	2,345	4,678	7,660
Net income (loss) (million yen)	11,879	14,499	16,025	(8,462)	2,506	5,519
Net income (loss) per share (yen)	44.12	53.99	60.11	(50.38)	14.82	32.21
Annual dividends per share (yen)	8.00	9.00	10.00	5.00	5.00	7.50
Shareholders' equity per share (yen)	242.97	289.82	347.88	341.62	353.41	413.74

(Note 6)

The figures of Matsuzakaya Co., Ltd. are used for those of Matsuzakaya HD shown above.

- 5. Status of Company to be Newly Incorporated upon Stock-Transfer (planned)
- (1) Corporate Name

Daimaru-Matsuzakaya Holding K.K. (tentative)

(2) Contents of Business

Management planning and administration of subsidiaries and group companies engaging in the department store business and any business incidental thereto.

(3) Location of Head Office

6-10-1, Ginza, Chuo-ku, Tokyo

(4) Assumption of Office of Representatives and Other Officers (planned)

Representative Director and Chairman: Kunihiko Okada (currently, Chairman of Matsuzakaya HD)

Representative Director and President, and Chief Executive Officer (CEO):

Tsutomu Okuda (currently, Chairman and Chief Executive Officer (CEO) of Daimaru)

The officers of the holding company as of the effective date of the stock-transfer will consist of nine (9) directors (including the two persons as mentioned above) and five (5) corporate auditors, and from among these, there will be two (2) outside directors and three (3) outside corporate auditors. Daimaru will recommend five (5) directors (including one (1) outside director) and two (2) corporate auditors (including one (1) outside corporate auditor), and Matsuzakaya HD will recommend four (4) directors (including one (1) outside director) and two (2) corporate auditors (including one (1) outside corporate auditor) and two (2) corporate auditors (including one (1) outside director) and two (2) corporate auditors (including one (1) outside corporate auditor). The remaining one (1) outside corporate auditor will be determined through consultation between both companies.

- (5) Capital: 30 billion yen
- (6) Net Assets: Not yet determined.
- (7) Total Assets: Not yet determined.
- (8) Account Settlement: End of February
- (9) Outline of Accounting Treatment in Conjunction with the Stock-Transfer

The stock-transfer will be treated as "purchase" under the accounting standard for business combinations and the purchase method will apply. The assets and liabilities of Matsuzakaya HD (the purchased company) and its subsidiaries are expected to be recorded at their current value appearing on the consolidated financial statements of the holding company. As a result, the holding company will record negative goodwill of approximately 7 billion yen (tentative estimate) on the consolidated financial statements. We will announce the amount, the amortization period of such negative goodwill, and other items as soon as they are determined.

(10) Forecast of Business Impact of the Stock-Transfer

Both companies will establish the integration preparatory committee and section committees to consider the business forecast after integration and other subjects. At present, we aim to achieve consolidated operating income of 60 billion yen in the fiscal year ending February 2011.

6. Other Matters

On or after the effective date of the stock-transfer, the holding company and Matsuzakaya HD will conduct a merger under which the holding company will be the surviving company after the following necessary procedures.

The management integration is subject to the condition that certain requirements concerning the stock-transfer (including, without limitation, the execution of a definitive agreement, shareholders' approval, and notification to and acquisition of necessary licenses and permits from the competent authorities) are satisfied and that no material event occurs which might affect the stock-transfer.

(Note 3)

In calculating the stock-transfer ratio for the proposed management integration (the "Management Integration"), Nikko Citigroup assumes that the publicly available information, financial information provided to it, and any other information that it examined is correct and complete. Nikko Citigroup relies on the correctness and completeness of such information and did not independently verify the correctness and completeness thereof. Nikko Citigroup also assumes that there is no information undisclosed to it which might materially affect the Management Integration. Nikko Citigroup did not independently value, appraise, assess, or verify the existence of, any asset or liability (contingent liability or otherwise) of Matsuzakaya HD, Daimaru, their respective affiliates and others. Furthermore, Nikko Citigroup assumes that the financial forecasts and other future information of Matsuzakaya HD and Daimaru provided to it were reasonably prepared and based on the best current predictions of Matsuzakaya HD and Daimaru will follow such predictions and determinations.

In rendering the calculation statement (the "Calculation Statement") concerning the stock-transfer ratio, Nikko Citigroup relied on these predictions and determinations and any related materials without conducting any independent investigation or verification. Since Nikko Citigroup is not a legal expert, it did not independently assess the lawfulness and validity of the Management Integration, and the Calculation Statement assumes that the Management Integration will be lawfully and validly implemented after duly following all procedures for legal, accounting and taxation purposes. In addition, the Calculation Statement assumes that neither Matsuzakaya HD nor Daimaru currently intends to conduct any capital contribution, credit enhancement or other investment or financing which might have a material adverse effect on the stock-transfer ratio, and that their intentions will not change.

The Calculation Statement assumes that the acquisition, timing, conditions, and any other matters of any agreement, approval, license or permits from any government, supervisory agency or any concerned party necessary for the consummation of the Management Integration will not cause any negative impact on the expected income of Matsuzakaya HD and Daimaru if the Management Integration is consummated, and that any such agreement, approval, license or permits will be obtained. The Calculation Statement is based upon the financial, market, economic and other conditions as of the date of its submission (March 13, 2007) and on the information provided to or acquired by Nikko Citigroup as of such date. Although all contents of the Calculation Statement are subject to any future change in circumstances, Nikko Citigroup is not obligated to modify, amend or supplement the content of the Calculation Statement.

The purpose of the Calculation Statement is solely to provide Matsuzakaya HD with reference information for their examination of the stock-exchange ratio.