

July 1, 2021

Company Name: Seven & i Holdings Co., Ltd.
 Representative: Ryuichi Isaka,
 President & Representative Director
 (Code No. 3382/First Section of the Tokyo Stock Exchange)

Notice Regarding Absorption-Type Merger between Subsidiaries and Change in Specified Subsidiary

At the Board of Directors' meeting on July 1, 2021, Seven & i Holdings Co., Ltd. (the "Company") passed a resolution for a merger between two consolidated subsidiaries—Sogo & Seibu Co., Ltd. ("Sogo & Seibu") and Seven & i Asset Management Co., Ltd. ("7AM")—with Sogo & Seibu being the surviving company (the "Merger"). Details of the Merger are given below.

Since the Merger is a merger between wholly owned subsidiaries of the Company, some disclosure items and details are omitted. In addition, 7AM, which will be dissolved as a result of the Merger, has been classified as a specified subsidiary.

1. Purpose of the Merger

In accordance with its new Medium-Term Management Plan announced on July 1, 2021, the Seven & i Group (the "Group") has decided to integrate its Department Store Operations and Specialty Store Operations, which were previously separate segments, into a single segment called Department Store & Specialty Store Operations for the purpose of promoting our large-scale commercial base strategy as part of our Group strategy. In addition, we have transferred 7AM, the real estate management company for the SEIBU IKEBUKURO flagship store, from the Others segment to the Department Store & Specialty Store Operations segment, with the aim of flexibly developing commercial bases aligned with consumer needs at department stores.

By integrating our real estate management and business operations related to Sogo & Seibu, scheduled for completion by September 1, 2021, the Merger aims to further improve the corporate value of our department store business, including alliances with external parties. We believe the Merger will significantly improve both profitability and financial stability.

2. Outline of the Merger

(1) Schedule of the Merger

Board of Directors resolution date (the Company)	July 1, 2021
Merger agreement date	July 8, 2021 (planned)
Extraordinary general meeting of shareholders resolution date (Sogo & Seibu, 7AM)	July 13, 2021 (planned)
Merger date (Effective date)	September 1, 2021 (planned)

(2) Method of the Merger

7AM will be dissolved through an absorption-type merger, with Sogo & Seibu as the surviving company.

(3) Allocations related to the Merger

There will be no allocations of shares, other cash equivalents, etc., as a result of the Merger.

- (4) Treatment of stock acquisition rights and bonds with stock acquisition rights of the dissolved company
Not applicable.

3. Overview of companies involved in the Merger (FY2021)

	Surviving company	Dissolved company
(1) Company name	Sogo & Seibu Co., Ltd.	Seven & i Asset Management Co., Ltd.
(2) Original location	Nibancho Center Building, 5-25, Nibancho, Chiyoda-ku, Tokyo	8-8, Nibancho, Chiyoda-ku, Tokyo
(3) Title and name of representative	Takuji Hayashi, President and Representative Director	Yoshimichi Maruyama, President and Representative Director
(4) Area of operation	Department store operation	Real estate management business
(5) Stated capital	20.5 billion yen	10.0 billion yen
(6) Date of establishment	May 21, 1969	June 1, 2010
(7) Total shares issued	110,414,242 shares	400,000 shares
(8) Business year end	End of February	End of February
(9) Shareholder and its percentage holdings	Seven & i Holdings Co., Ltd. 100%	Seven & i Holdings Co., Ltd. 100%
(10) Financial status and business performance from the last fiscal year (Million yen)		
Net assets	44,781	27,977
Total assets	344,154	121,286
Net assets per share (yen)	405.57	69,944.27
Revenues from operations	440,484	4,688
Operating income	(6,691)	2,517
Ordinary income	(8,148)	1,696
Net income attributable to owners of parent	(17,239)	894
Net income per share (yen)	(156.35)	2,236.32

4. Status after the Merger

There will be no changes in the trading name, business activities, head office location, representative's name and title, stated capital, or fiscal year-end of the surviving company as a result of the Merger.

5. Future outlook

Since the Merger is between the consolidated subsidiaries of the Company, the impact on the Company's consolidated business results will be minimal.