



February 10, 2022

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

## Notice of Transfer of Subsidiary Shares and Resulting Change of Subsidiary

Seven & i Holdings Co., Ltd. (the “Company”) hereby announces that it has decided to transfer all of the issued shares (the “Shares”) of Oshman’s Japan Co., Ltd. (“Oshman’s”) held by the Company to ABC-MART, INC. (“ABC”) (the “Transfer”), and that the Company entered into an agreement for the Transfer today.

### 1. Purpose of the Transfer

Oshman’s was incorporated in December 1984, as an affiliated company of the Ito-Yokado Group, with the role of a store specializing in the sports sector, based on a business alliance between OSHMAN’S SPORTING GOODS INC. in the U.S. and Ito-Yokado Co., Ltd. in 1983. In March 2012, Oshman’s changed its capital relationship to an operating company directly controlled by the Company, at the time of the capital increase by the Company.

Oshman’s has contributed to enhancing the Group’s value, as a sports lifestyle select specialty store that suggests and provides the latest and popular products, targeting urban dwellers who enjoy sports and fashion in their lifestyle.

On the other hand, the environment surrounding the retail industry has been changing significantly. Due to expansion of COVID-19, the consumer activities and lifestyle values of customers have significantly changed, and expenditure from staying at home and online purchases due to not going to stores are expanding.

Under these circumstances, based on its thoughts about business portfolio set forth in its “Medium-Term Management Plan 2021-2025” announced on July 1, 2021, the Company had been supporting Oshman’s towards management reconstruction by the creation of group synergy and business structural reform. However, the Company has determined that it is difficult to maximize the value to be provided to customers and the business value by reformation using the Group’s management resources, and it has been considering searching for the best owner to promote growth and efficiency of Oshman’s.

ABC engages in the sale of lifestyle shoes, and has been expanding its operations by offering high-quality, fashionable, and trendy products through “ABC-MART” stores and other retail outlets both within and outside Japan, in order to provide customers with “global uniform quality at global uniform prices.”

ABC considered that it is necessary to enter into a new market for further growth. ABC further considered that while in the ongoing COVID-19 situation, interests in health and outdoor activities have been globally increasing in accordance with the change in consumers’ lifestyles, there is high potential growth in clothing, items, etc. for outdoor sectors such as camping, as well as for personal sports such as running and fitness; accordingly, it has been seeking an opportunity for market entry.

Based on the above, as a result of a series of consultations between the Company and ABC, the Company has determined that utilizing ABC's data regarding the opening up of stores and ABC's operating system for more than 1,000 stores in Japan, will contribute to the promotion of the growth and efficiency of Oshman's, and it has decided to conduct the Transfer.

## 2. Outline of the Transfer

The Company will transfer the Shares to ABC.

## 3. Outline of the companies (as of February 28, 2021)

The subsidiary to be changed:

(i)	Company name	Oshman's Japan Co., Ltd.		
(ii)	Original location	4-3, Nibancho, Chiyoda-ku, Tokyo		
(iii)	Title and name of representative	Atsushi Matsumoto, President and Representative Director		
(iv)	Date of establishment	December 6, 1984		
(v)	Area of operation	Sales of general sporting goods with a focus on American sports		
(vi)	Business year end	February		
(vii)	Number of employees	294 (including 178 part-time workers and assistants)		
(viii)	Number of stores	9 stores		
(ix)	Stated capital	2.5 billion yen		
(x)	Total shares issued	15,000 shares		
(xi)	Net sales	3.8 billion yen (FY2021)		
(xii)	Shareholders and its percentage holdings	Seven & i Holdings Co., Ltd.	100%	
(xiii)	Financial status and business performance from the last three fiscal years			
	Business year end	FY2019	FY2020	FY2021
	Net assets	470 million yen	438 million yen	7 million yen
	Total assets	2,232 million yen	2,408 million yen	3,041 million yen
	Net assets per share	31,349.52 yen	29,206.71 yen	500.08 yen
	Net sales	4,950 million yen	4,924 million yen	3,821 million yen
	Operating income	(41) million yen	(13) million yen	(536) million yen
	Ordinary income	(42) million yen	(10) million yen	(535) million yen
	Net income	(52) million yen	(32) million yen	(430) million yen
	Net income per share	(3,519.55) yen	(2,142.82) yen	(28,706.62) yen
	Dividends per share	-	-	-

The counterparty to the Transfer:

(i)	Company name	ABC-MART, INC.	
(ii)	Original location	1-12-1, Dogenzaka, Shibuya-ku, Tokyo	
(iii)	Title and name of representative	Minoru Noguchi, President and Representative Director	
(iv)	Date of establishment	June 6, 1985	
(v)	Area of operation	Retailing of products, such as shoes, clothing and general merchandise, product development, manufacture and sale of shoes	
(vi)	Business year end	February	
(vii)	Number of employees	8,600 (including 4,718 part-time workers)	
(viii)	Number of stores	1,032 stores (in Japan) 347 stores (outside Japan)	
(ix)	Stated capital	19 billion 972 million yen	
(x)	Consolidated net assets	278 billion 943 million yen	
(xi)	Consolidated total assets	317 billion 832 million yen	
(xii)	Total shares issued	82,539,646 shares	
(xiii)	Major shareholders and their percentage holdings	Masahiro Miki	25.90%
		EM. Planning, LLC	25.03%
		Michiko Miki	11.49%
(xiv)	Relationship between the Company and the counterparty	Capital relationship	There is no capital relationship of note between the Company and the counterparty. There is also no capital relationship between the related parties and affiliates of the Company and the related parties and affiliates of the counterparty.
		Personal relationship	There is no personal relationship of note between the Company and the counterparty. There is also no personal relationship between the related parties and affiliates of the Company and the related parties and affiliates of the counterparty.
		Business relationship	The Company receives rental and other income from the opening of stores by the counterparty as tenants of the Group's stores.
		Status as a related party	The counterparty is not a related party of the Company. The related parties and affiliates of the counterparty are also not related parties of the Company.

**4. Number of shares to be transferred, transfer price, and status of shares held before and after the Transfer**

(i)	Number of shares held before the Transfer	15,000 shares
(ii)	Number of shares to be transferred	15,000 shares
(iii)	Transfer price	The transfer price is not disclosed for confidentiality reasons, but was determined based on a calculation report, etc. by a third party and after negotiation with the counterparty.
(iv)	Number of shares held after the Transfer	0 shares

**5. Schedule**

Date of contract execution	February 10, 2022
Execution date of the Transfer	March 1, 2022 (planned)

**6. Future outlook**

The impact of the transaction on the Company's consolidated financial results for the fiscal year ending February 28, 2022 is negligible.