



**For Immediate Release**

**Seiyu plans to become Wal-Mart subsidiary by end of 2005**

*Wal-Mart and Mizuho Corporate Bank agree in principle to further investment in Seiyu*

Tokyo – (30 September 2005) - The Seiyu Ltd. (Seiyu), one of Japan's leading retailers, has today agreed in principle with Wal-Mart Stores, Inc. (Wal-Mart) and Mizuho Corporate Bank, Ltd. (Mizuho) to a plan that could make Seiyu a subsidiary of Wal-Mart by the end of 2005.

Seiyu intends to issue new ordinary and preferred shares to the value of 115 billion yen (US\$1.05 billion). Wal-Mart would purchase up to 67.5 billion yen (US\$614 million) of the Seiyu shares, with Mizuho and possibly other investors acquiring the remainder.

“We see Seiyu leading the retail industry in providing its customers with quality fresh foods and outstanding value on goods that meet their everyday needs,” said John Menzer, President and Chief Executive Officer of Wal-Mart International. “This investment is intended to give Seiyu increased financial stability and continue strengthening Wal-Mart's presence in the second-largest retail market in the world.”

“We already have some of the most convenient supermarket and general merchandise store locations in Japan,” said Noriyuki Watanabe, Representative Executive Officer and CEO, Seiyu. Becoming a full member of the Wal-Mart family will allow us to stabilize our financial base and accelerate remodeling of existing stores, open additional locations, provide more career opportunities for our associates and bring more outstanding products with lower prices to our customers.”

“Seiyu will grow by providing great value on quality fresh food and other everyday necessities for our customers and making sure we cater to their local needs. I look forward to the ongoing support of our loyal customers, our shareholders and our suppliers,” Watanabe added.

Seiyu plans to hold an extraordinary meeting of shareholders in December 2005 to vote on conditions related to the proposed share issues. Subject to shareholder approval and Seiyu's continuing relationships with its main banks, the capital investment is planned to take place in December. Wal-Mart's interest in Seiyu would increase to over 50 percent from the current 42.4 percent.

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**Notes to Editors –**

**About The Seiyu Ltd.**

The Seiyu Ltd. is a leading Japanese retailer, with major operations in supermarkets and general merchandising stores. Currently the Seiyu Group operates 405 stores located throughout Japan. Wal-Mart is Seiyu's largest shareholder and is working closely with Seiyu to renew its focus on the customer and its core retail operations, as well as on its transition to a low-cost, low-price operating structure.

**About Wal-Mart Stores, Inc.**

Wal-Mart Stores, Inc. operates Wal-Mart Stores, Supercenters, Neighborhood Markets and SAM'S CLUBS in all 50 U.S. states. Internationally, the company has interests in retail operations in Japan, Puerto Rico, Canada, China, Mexico, Brazil, Germany, United Kingdom, Argentina, Guatemala, El Salvador, Honduras, Nicaragua, Costa Rica and South Korea. The company's securities are listed on the New York and Pacific stock exchanges under the symbol WMT. Last year, Wal-Mart Stores, Inc., contributed more than \$170 million to support communities and local nonprofit organizations. More information about Wal-Mart can be located on-line at [www.walmart.com](http://www.walmart.com).