As of the announcement on April 8, 2014

Moving onto the path to growth by steadily carrying forward priority measures.

Positioning the three years (2014–2016) in the current three-year plan as the takeoff period for growth, we will pursue growth strategies to become the leading commercial developer in Asia. We will move onto the path to growth in the three years (2017-2020) of the next plan by aggressively and steadily promoting new mall openings in Japan and overseas, and by revitalizing existing malls in Japan.

Medium-Term Management Plan for FY2014 to FY2016

¥300 billion Operating revenue Numerical targets Ordinary income Capital expenditure (cumulative total)

Revisions announced on April 9, 2015

Operating revenue Ordinary income ---Capital expenditure

Reasons for revisions to the plan

(cumulative total)

Numerical targets were revised downward, reflecting the significant reduction of the number of new openings planned for three years, taking into account the changing market environments in Japan and overseas

Revisions announced on April 13, 2016

Operating revenue Ordinary income

Capital expenditure (cumulative total)

Reasons for revisions to the plan

Numerical targets were revised, reflecting the revision of new openings planned in Japan and overseas and the further reduction of the number of new openings planned for three years.

*However, operating revenue was revised upward because operating revenue of ¥25 billion of OPA Co., Ltd., which became a subsidiary, was consolidated.



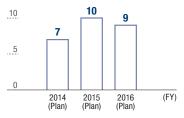
Improvement of profitability

¥60 billion

- Establishment of a new
- Development of nationally uniform promotion
- Utilization of economies of scale

Expansion of new facilities in Japan

Changes in the number of new openings



Changes in the number of new openings (after revisions to the plan)



Reasons for revisions to the plan

The number of new openings planned was revised, taking into account the delay in the opening years due to the demand-supply gap between the growing demand and labor shortage in the construction industry in Japan and rising construction costs.

Changes in the number of new openings



Reasons for revisions to the plan

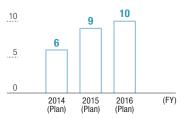
The number of new openings planned for fiscal 2016 was revised further in light of the consumption environment in Japan.

The breakdown of six malls includes a decrease of two in self-developed malls and an increase of two in master lease projects with the low absolute amount of profit.

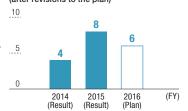
Priority Measures

Establishment of business foundation in China and the ASEAN region

Changes in the number of new openings



Changes in the number of new openings (after revisions to the plan)



Changes in the number of new openings (after revisions to the plan)



Reasons for revisions to the plan

The number of new openings planned was revised, mainly taking into account the delay in the opening years of some malls due to the tightening of procedures for new openings in China, as well as the currency risk and tightened regulations on foreign capital in Indones

Reasons for revisions to the plan

The number of new openings planned in China for fiscal 2016 was revised, reflecting the tightening of fire-fighting procedures for the opening of commercial facilities and prolonged construction periods in China.



Full enforcement of financial discipline



Strengthening of employee pool and governance

Progress in plans and forecast

Results in FY2014

(March 1, 2014 to February 28, 2015)

 $\begin{array}{ll} \text{Operating revenue} & $\pm 203.9 \text{ billion} \\ \text{Ordinary income} & $\pm 41.1 \text{ billion} \end{array}$

Capital expenditure ----- ¥181.9 billion

Results in FY2015

(March 1, 2015 to February 29, 2016)

Capital expenditure ------ ¥174.0 billion

Forecast for FY2016

(March 1, 2016 to February 28, 2017)

Major Initiatives

Promotion of large-scale renovation at existing malls

- Implemented renovation at eight malls, including changes in the business categories and the relocation of tenants.
- Implemented renovation at 12 malls, including large-scale remodeling and floor expansion.
- Plan to implement renovation at 21 malls, including floor expansion at 2 malls.

Implement measures to attract customers, leveraging the Group strength (nationwide sale and the planning of sales promotion using WAON, etc.).

Implement the "planning of ultimate localization," which involves adopting a localized approach for running malls.

Enhancement of malls in response to inbound demand and the promotion of digitalization

Development of new concept malls tailored to local characteristics

- Opened seven new malls as planned, including AEON MALL Okayama, a flagship mall.
- Opened five new malls.
- Opened unique malls that aim to transmit local charm, such as AEON MALL Okinawa Rycom and AEON MALL Tokoname.
- Plan to open six new malls, including the regeneration of commercial facilities of Group companies such as Daiei.
- Begin developing the urban fashion building business, which will serve as a new business category.

Major Initiatives

Acceleration of the opening of dominant malls in four areas in China

- Opened the first mall in Jiangsu Province.
- Opened the first mall in Hubei Province.
- Opened a total of six new malls in four areas, including AEON MALL Wuhan Jingkai, a flagship mall.
- Plan to open one mall in Hebei Province (the construction of seven other malls has already begun).

Establishment of the business foundation in three ASEAN countries

- Opened the first mall in Cambodia and the second mall in Vietnam.
- Opened the first mall in Indonesia.
- Opened the first mall in the Hanoi area, Vietnam.
- Plan to open the third mall in Vietnam.

Promote the localization of human resources and management.

 $Improving \ asset \ efficiency \ through \ various \ methods \ of \ funding \ and \ by \ enhancing \ shareholder \ returns$

Strengthening corporate governance and cultivating a wide range of employees by promoting diversity *See pages from P. 59 and P. 71 for details.