



# Financial Results for the First Quarter of FY2014

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(March 1, 2014 – May 31, 2014)



**AEON MALL Co., Ltd.**

**(TSE: 8905)**

July 2, 2014



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# **1. Summary of Financial Results for the First Quarter of the Fiscal Year Ending February 2015**

# First Quarter FY2014 (March 1, 2014 – May 31, 2014) Review

## Overview of Consolidated Results

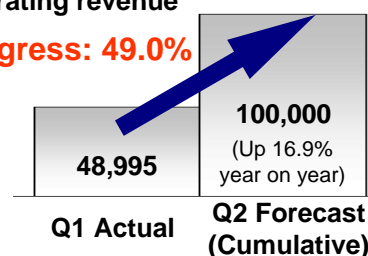
(Million yen, %)

	Q1 of FY2014 (Actual)	Q1 of FY2013 (Actual)	Year-on-year
Operating revenue	48,995	42,753	114.6
Operating costs	33,841	28,219	119.9
Gross profit	15,154	14,533	104.3
Selling, general and administrative expenses	5,195	3,593	144.6
Operating income	9,958	10,939	91.0
Ordinary income	9,628	10,717	89.8
Net income	5,575	6,254	89.1
Net income per share	24.47	31.38	-

Operating revenue was about 49.0% of the forecast for the first half. Ordinary income was around 48.1%. Results in the first quarter were largely as planned.

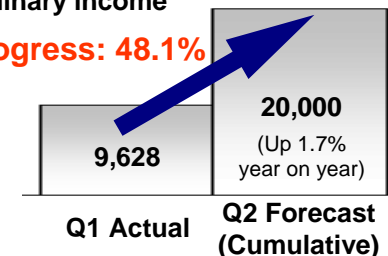
Operating revenue

Progress: 49.0%



Ordinary income

Progress: 48.1%



- Existing 58 malls
  - Sales of tenants Up 3.3% year on year
  - Operating revenue Up ¥1,028 million (up 2.6% year on year)
  - Operating income\* Up ¥43 million (up 0.3% year on year)
- Seven new malls
  - <FY2013: Five malls, FY2014: Two malls in Q1>
  - Operating revenue Up ¥3,486 million (up 171.6% year on year)
  - Operating income\* Up ¥577 million (up 45.1% year on year)

\* Operating income is presented as gross profit on the profit and loss statement.

- The increase in selling, general and administrative expenses was attributable to structural enhancement for opening new malls in Japan and the expansion of overseas business bases for accelerating business development in China and the ASEAN region. In the previous fiscal year, SG&A expenses rose from the second quarter, and the year-on-year increase in SG&A expenses in the full year is expected to be 3,000 million yen.

### Number of malls (as of May 31, 2014)

Japan	135*
China	5
Vietnam	1
Total	141

\* As of November 1, 2013 the Company signed a contract to undertake the management and operation of large commercial facilities of Aeon Retail Co., Ltd. in 69 locations.

# First Quarter FY2014 (March 1, 2014 – May 31, 2014) Review

## New Business Bases in Japan

### “Hills Gathering Smiles”

## Aeon Mall Wakayama

- Location: 573 Kusutani, Naka, Wakayama, Wakayama Pref.
- Scheduled opening: Grand opening on March 16, 2014
- Site area: About 155,000 m<sup>2</sup>
- Floor area: About 128,000 m<sup>2</sup>
- Total leasing area: About 69,000 m<sup>2</sup>
- Parking: About 3,500 cars
- Specialty stores: 210



### Features of the mall

- Located in the college walled city of Fujitodai, a new urban area of Wakayama expected to be the prefecture's new face with an anticipated population of more than 30,000 living in approx. 6,500 households.
- As the core facilities in Fujitodai's commercial area, the mall will be easily accessible not only from within Wakayama City, but also from neighboring towns.
- Maximizing the use of the large site and hilly topography, the mall includes the “Outer Mall,” an outside building linked to the first floor of the mall building, and the “Auto Mall” on the rooftop of the mall building.
- The mall comprises approx. 210 specialty stores, more than 60% of which will be the tenants' first store in the region, including 19 tenants opening their first store in the Kinki area and 113 tenants opening their first store in Wakayama Pref.



### ◆ Outer Mall



An outside building consisting of restaurants, outdoor goods, etc., making the most of the large site.



### ◆ Auto Mall



Set up on the rooftop, which is accessible directly by car, making the most of the hilly topography. Car dealers sell four domestic and foreign brands.

### ◆ Center Roof



The gateway symbolizing the mall, which is directly connected to Wakayama-daigakumae (Fujitodai) Station via a deck.

### ◆ Fujito Park



Offers diverse activities with its event space, picnic field, bouldering wall, etc.

### ◆ Food Court



Operated by 14 tenants including three opening their first store in the Kinki region and eight in Wakayama Pref. One of the largest food courts in the prefecture, with approx. 1,000 seats.

### ◆ Kids' Mall



The largest children's playground in the region, covering an area of approx. 2,600 sq. meters on the 3rd floor of the mall building

## New Business Bases in Japan

### Gathering, Relaxing, and Playing

#### Aeon Mall Tendo

- Location: Block 34, Haga readjustment program area in Tendo, Yamagata
- Opening: Grand opening on March 21, 2014
- Site area: About 140,000 m<sup>2</sup> (incl. approx. 46,000 m<sup>2</sup> of outside mall area)
- Floor area: About 68,000 m<sup>2</sup>
- Total leasing area: About 47,000 m<sup>2</sup>
- Parking: About 3,000 cars
- Specialty stores: 130



### Harmony with the Community “Beautiful townscape with a sense of unity”

- ◆ The exterior design uses a motif of woodwork, the local specialty of Tendo city, and shogi pieces, the local traditional craftwork.



- ◆ The interior of the entire mall contains local Tendo woodwork furniture. A bentwood monument is located in the upper section of the building's entrance.



#### Features of the mall

- The mall is located in the center of Tendo Haga Town, which is being developed by the Tendo city government, and which is also easily accessible from the neighboring areas in the prefecture.
- The mall design is consistent with the townscape of Tendo Haga Town, with the aim of building a beautiful town with a sense of unity.
- It has been developed as a “tourist shopping mall” that takes advantage of the features of Tendo, including numerous tourist attractions, particularly hot springs.
- It consists of approx. 130 specialty stores, including 68 tenants opening their first store in Yamagata Pref.



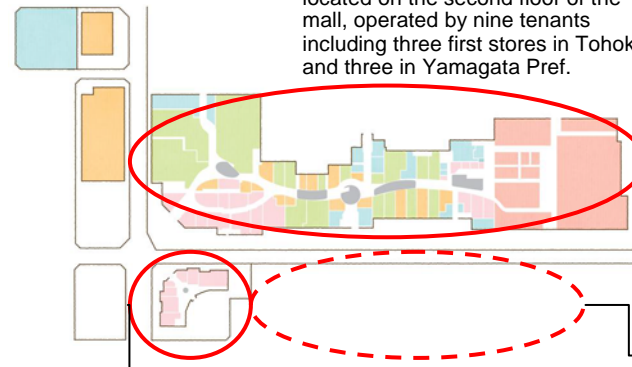
#### ◆ Food Court

One of the largest food courts in the prefecture with approx. 700 seats is located on the second floor of the mall, operated by nine tenants including three first stores in Tohoku and three in Yamagata Pref.



The mall building comprises approx. 130 specialty stores, including 11 first stores in Tohoku and 53 in Yamagata Pref. In addition to merchandise sales, the mall offers “experience and sensation” in terms of hobbies, lifestyles, entertainment, etc.

The opening of new stores offering local specialties and fine articles is planned in the second phase of the outside mall. Improvements will be made to features that mark it as a tourist mall.



#### ◆ GOURMET building

A restaurant area consisting of renowned local restaurants in the first phase of the outside mall.



# First Quarter FY2014 (March 1, 2014 – May 31, 2014) Review

## Response to the Consumption Tax Hike

In response to the consumption tax hike, we promoted sales, making the most of our economies of scale—135 shopping malls in Japan—and the Group's infrastructure, including electronic money. Sales at our specialty stores remained strong after the consumption tax hike. In the first quarter, same-store sales at our specialty stores rose 3.3% year on year.



**Specialty stores in a range of fields**

**Promoting sales using the Group's infrastructure**

**Capabilities to attract customers**

**Economies of scale**

## Revitalizing Existing Malls

Shopping malls	Location	Date reopened	Tenants	1. New tenants*	2. Relocations & refurbishments	No. of tenants on reopening (1 + 2)
ÆON Mall Nogata	Nogata City, Fukuoka Prefecture	March 7	140	6 (3)	10	16
ÆON Mall Kawaguchi Maekawa	Kawaguchi City, Saitama Prefecture	March 14	170	15 (4)	20	35
ÆON Mall Kisogawa	Ichinomiya City, Aichi Prefecture	March 14	160	15 (7)	6	21
ÆON Mall Hinode	Nishi Tama-gun, Tokyo Metropolis	March 20	160	29 (6)	39	68
ÆON Mall Yamato	Yamato City, Kanagawa Prefecture	March 20	90	5 (0)	20	25

\* Figures in parentheses indicate the first store openings in the relevant prefectures.

### Monthly Data (58 existing malls, on a year-on-year basis)

Monthly	March	April	May	1st quarter
Sales	112.8%	95.8%	100.0%	103.3%
No. of holidays	±0	±0	+1	+1
After adjustment for weekends/holidays	112.8%	95.8%	98.6%	102.8%
No. of customers through checkout	104.0%	97.7%	102.2%	101.4%
Average customer transaction	108.5%	98.1%	97.9%	101.9%
No. of cars parked	102.0%	97.6%	100.3%	100.1%
No. of visitors	103.0%	97.2%	100.6%	100.3%

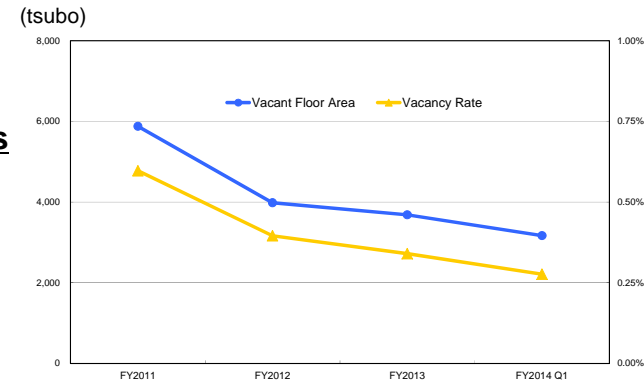
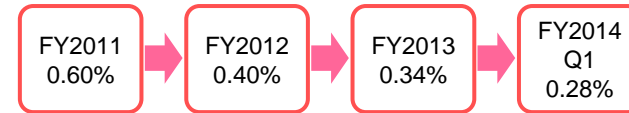
### Year-on-Year Changes in Sales at Specialty Stores in ÆON Malls by Segment (Year-on-year changes in 58 existing malls)

	March	April	May	1st quarter
Large specialty stores	128.3%	90.5%	95.8%	105.4%
Apparel	105.6%	95.4%	98.6%	100.1%
Accessories	125.5%	92.2%	94.5%	105.2%
Miscellaneous goods	118.3%	94.0%	97.2%	104.1%
Drinking and eating	104.0%	99.8%	103.6%	102.5%
Amusement	109.2%	110.1%	126.7%	114.8%
Services	107.1%	96.0%	98.6%	100.8%
Specialty stores subtotal	110.8%	96.4%	100.5%	102.9%
All specialty stores	112.8%	95.8%	100.0%	103.3%

## Changes in Vacancy Rate

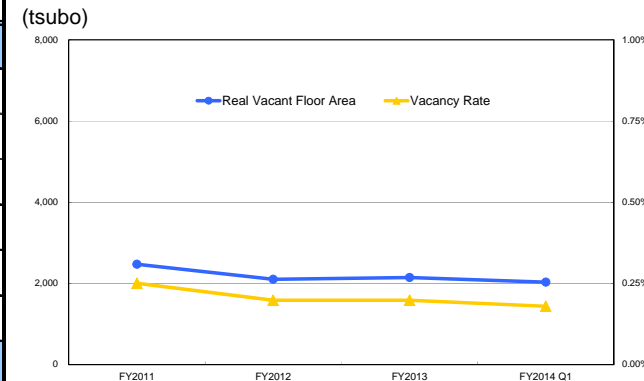
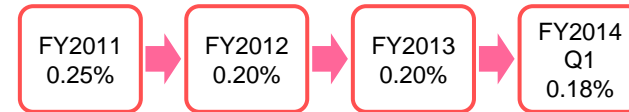
### <Vacant Floor Area and Vacancy Rate>

◆ Average vacancy rate



### <Real Vacant Floor Area and Vacancy Rate>

◆ Average vacancy rate



\* The real vacant floor area is the vacant floor area less the area where the opening of new stores has been determined.

# First Quarter FY2014 (March 1, 2014 – May 31, 2014) Review

## Business in China

A space that impresses visitors

### Aeon Mall Suzhou Wuzhong

- Location: 188 Yue Xi Su Zhen Tao Lu, Suzhou Wuzhong, Jiangsu
- Opening: Grand opening on April 25, 2014
- Site area: About 114,000 m<sup>2</sup>
- Floor area: About 154,600 m<sup>2</sup>
- Total leasing area: About 75,000 m<sup>2</sup>
- Parking: About 3,100 cars
- Specialty stores: 190



### Features of the mall

- The mall is located in the Wuzhong Economic Development Zone, a special economic zone. The area within a 15-minute drive of the mall has a population of 1.2 million and is a promising area where comprehensive development is underway.
- The mall has 190 specialty stores, including stores dealing in the latest fashion items and general merchandise and interactive facilities for children. Some tenants have opened their first store in Suzhou.
- Amusement facilities for children, which have a food court, provide a new type of entertainment, combining eating and playing.
- The design of the mall reflects Suzhou's culture—the design of the tower at the center of the mall is reminiscent of a fan, which is a specialty of Suzhou—and at the same time is modern and innovative.



### “Aeon” included in the names of a park and a road in the neighborhood

With the cooperation of the government of the Suzhou Wuzhong Economic Development Zone, “Aeon” has been included in the names of a park and a road in the infrastructure development around the mall.



★1  
Aeon Green Island



★2  
Aeon Road



### The environmentally friendly mall to be rated Two Stars in the Green Building Label system

The first Aeon Group building to be rated Two Stars

★ Wall greening



★ Solar panels



★ LED



Green Building Label: Environmental evaluation standards of the Ministry of Construction of China, which are comparable to the CASBEE (Comprehensive Assessment System for Built Environment Efficiency) of Japan

Anchor store Aeon



Sports outlet



Food court



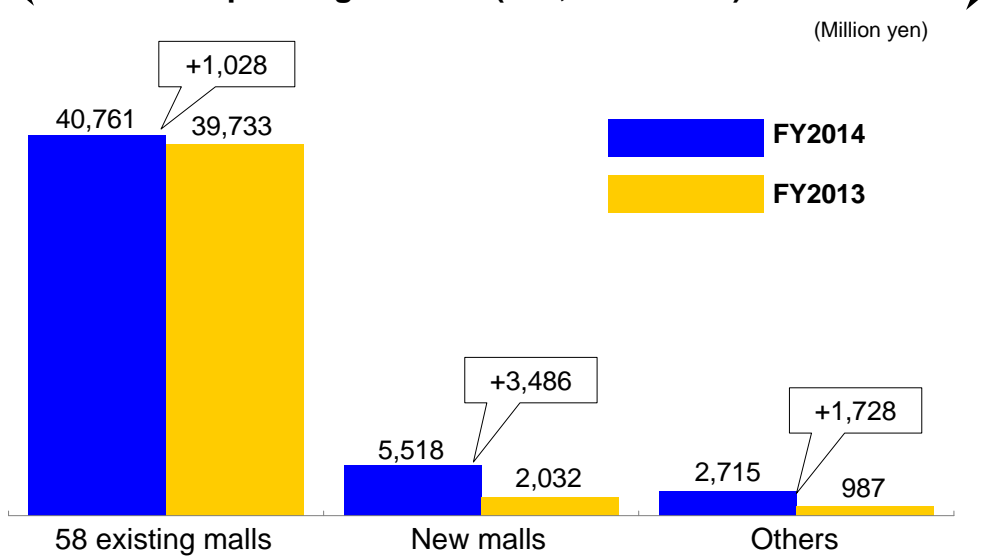
Amusement



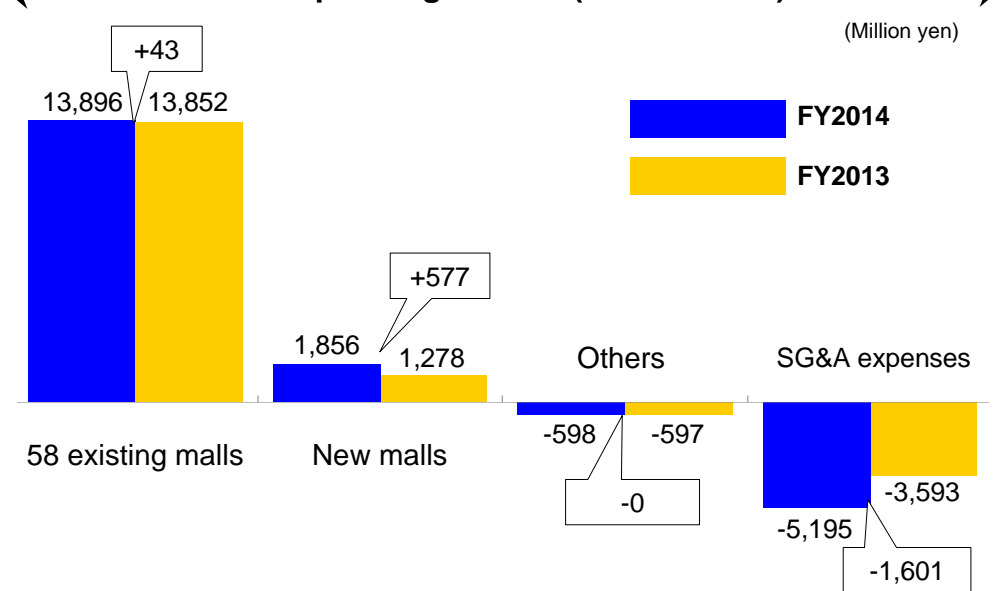


# First Quarter FY2014 (March 1, 2014 – May 31, 2014) Profit and Loss Statement

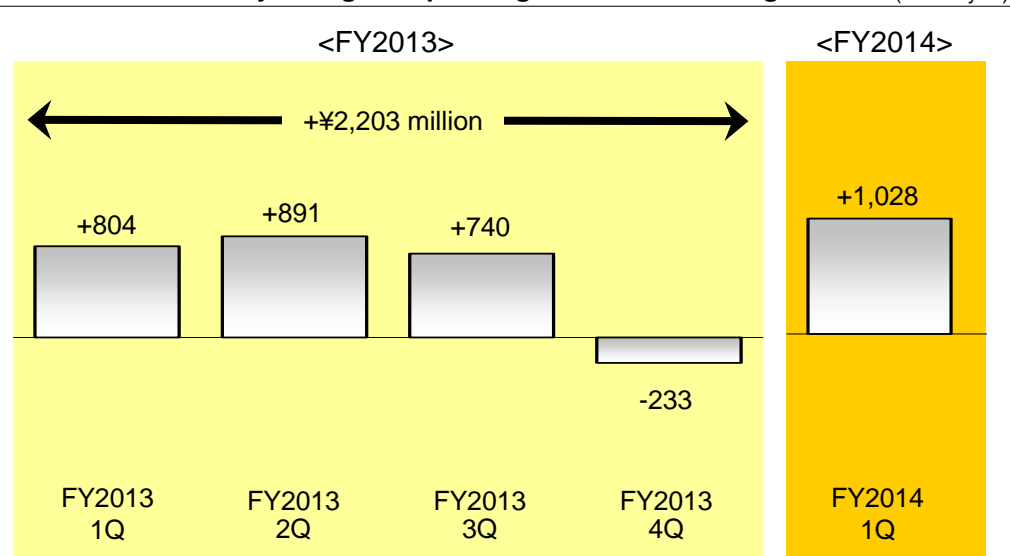
Operating revenue (+¥6,242 million) (Million yen)



Operating income (-¥980 million) (Million yen)

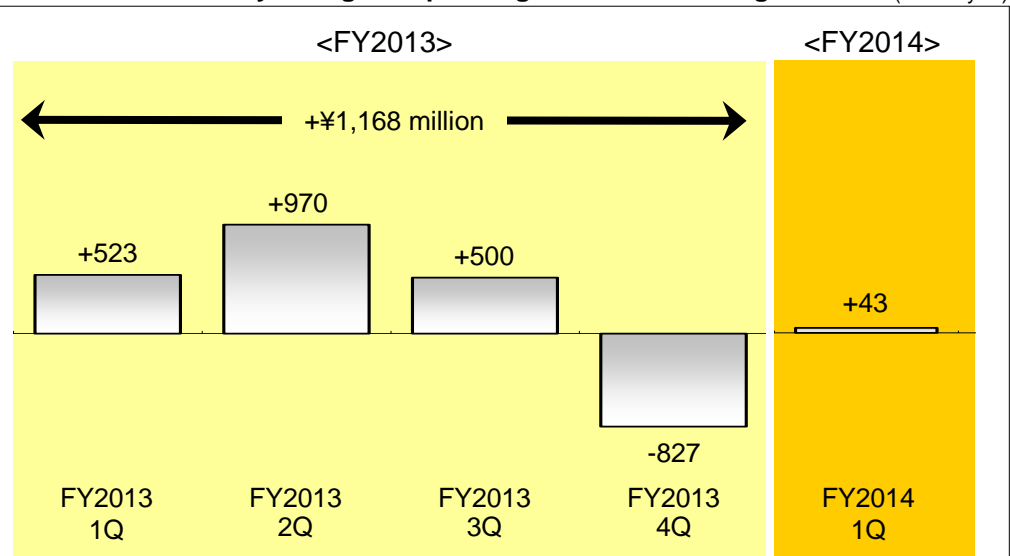


Quarterly change in operating revenue at existing malls (Million yen)



\* Change from FY2013: comparison based on 55 existing malls

Quarterly change in operating income at existing malls (Million yen)



\* Change from FY2013: comparison based on 55 existing malls

# First Quarter FY2014 (March 1, 2014 – May 31, 2014) Summary of Income

Consolidated (¥ million)	Q1 of FY2014	Ratio	Q1 of FY2013	Ratio	YoY Growth	Change	Comments
<b>Operating Revenue</b>	<b>48,995</b>	<b>100.0%</b>	<b>42,753</b>	<b>100.0%</b>	<b>114.6%</b>	<b>6,242</b>	- Seven newly operated malls +¥3,486 million - Increase at 58 existing malls +¥1,028 million - Others +¥1,728 million
<b>Operating costs</b>	<b>33,841</b>	<b>69.1%</b>	<b>28,219</b>	<b>66.0%</b>	<b>119.9%</b>	<b>5,622</b>	- Seven newly operated malls +¥2,909 million - Increase at 58 existing malls +¥984 million - Others +¥1,728 million
<b>Gross profit</b>	<b>15,154</b>	<b>30.9%</b>	<b>14,533</b>	<b>34.0%</b>	<b>104.3%</b>	<b>620</b>	- Seven newly operated malls +¥577 million - Increase at 58 existing malls +¥43 million - Others -¥0 million
<b>SG&amp;A expenses</b>	<b>5,195</b>	<b>10.6%</b>	<b>3,593</b>	<b>8.4%</b>	<b>144.6%</b>	<b>1,601</b>	- Enhancement of structures, with an eye on business expansion in Japan and overseas
<b>Operating income</b>	<b>9,958</b>	<b>20.3%</b>	<b>10,939</b>	<b>25.6%</b>	<b>91.0%</b>	<b>(980)</b>	
<b>Non-operating profits</b>	<b>364</b>	<b>0.8%</b>	<b>560</b>	<b>1.3%</b>	<b>64.9%</b>	<b>(196)</b>	- Contract cancellation fee received from tenants closing stores -¥63 million
<b>Non-operating expenses</b>	<b>694</b>	<b>1.4%</b>	<b>783</b>	<b>1.8%</b>	<b>88.7%</b>	<b>(88)</b>	- Interest expenses -¥112 million
<b>Ordinary income</b>	<b>9,628</b>	<b>19.7%</b>	<b>10,717</b>	<b>25.1%</b>	<b>89.8%</b>	<b>(1,088)</b>	
<b>Extraordinary gains</b>	<b>199</b>	<b>0.4%</b>	<b>0</b>	<b>0.0%</b>	<b>-</b>	<b>199</b>	
<b>Extraordinary losses</b>	<b>230</b>	<b>0.5%</b>	<b>125</b>	<b>0.3%</b>	<b>183.7%</b>	<b>105</b>	
<b>Income before income taxes</b>	<b>9,597</b>	<b>19.6%</b>	<b>10,591</b>	<b>24.8%</b>	<b>90.6%</b>	<b>(994)</b>	
<b>Income taxes</b>	<b>4,015</b>	<b>8.2%</b>	<b>4,322</b>	<b>10.1%</b>	<b>92.9%</b>	<b>(306)</b>	
<b>Minority interests</b>	<b>6</b>	<b>0.0%</b>	<b>15</b>	<b>0.1%</b>	<b>42.4%</b>	<b>(8)</b>	
<b>Net income</b>	<b>5,575</b>	<b>11.4%</b>	<b>6,254</b>	<b>14.6%</b>	<b>89.1%</b>	<b>(679)</b>	

# First Quarter FY2014 (March 1, 2014 – May 31, 2014) Summary of Balance Sheets



Consolidated (¥ million)	Q1 of FY2014	FY2013	Change	Comments
Cash and deposits	54,061	47,566	6,494	
Deposits to associated companies	25,000	17,000	8,000	- AEON Group's surplus fund management
Other current assets	28,482	25,466	3,015	
<b>Current assets</b>	<b>107,543</b>	<b>90,033</b>	<b>17,510</b>	
Property, plant and equipment	598,293	557,559	40,733	- Acquisition of property, plant and equipment +¥48,145 million - Depreciation of property, plant and equipment -¥6,377 million
Intangible fixed assets	3,622	3,570	51	
Investments and other assets	94,586	108,081	(13,494)	- Sale of the right to claim the return of guarantee depositeds -¥7,890 million - Collection of guarantee depositeds -¥4,299 million
<b>Fixed assets</b>	<b>696,502</b>	<b>669,211</b>	<b>27,290</b>	
<b>Total assets</b>	<b>804,046</b>	<b>759,245</b>	<b>44,801</b>	
Income taxes payable	3,669	17,782	(14,113)	
Deposits from tenants	56,601	24,903	31,698	- Delay in the return of deposits planned at the end of the quarter under review (from May 31 to June 2) +¥21,260 million - Increase in new tenant accounts, increase in the seasonal index etc. +¥10,438 million
Notes payable-construction	33,744	39,745	(6,001)	- Increased notes payable-construction and accounts payable-construction for new malls opened in FY2014 (Wakayama and Tendo)
Accounts payable-construction	53,754	41,117	12,637	
Other current liabilities	63,675	60,821	2,853	- Current portion of long-term debt +¥3,181 million
<b>Current liabilities</b>	<b>211,445</b>	<b>184,370</b>	<b>27,075</b>	
Long-term liabilities	292,553	276,348	16,205	- Straight bonds +¥20,000 million - Long-term borrowings -¥5,635 million
<b>Total liabilities</b>	<b>503,999</b>	<b>460,718</b>	<b>43,280</b>	
<b>Total equity</b>	<b>300,046</b>	<b>298,526</b>	<b>1,520</b>	
<b>Equity ratio</b>	<b>36.7%</b>	<b>38.9%</b>	<b>(2.2%)</b>	

Interest-bearing debt	207,912	190,366	17,546
Ratio of interest-bearing debt to assets	25.9%	25.1%	0.8%
Debt-to-equity ratio (times)	0.7	0.7	0.0

## [Change in interest-bearing debt]

(Million yen)

	Q1 of FY2014	FY2013	Change
Bonds due within one year	23,000	23,000	-
Current portion of long-term loans payable	13,747	10,566	3,181
Straight bonds	45,200	25,200	20,000
Long-term borrowings	125,964	131,599	(5,635)
<b>TOTAL</b>	<b>207,912</b>	<b>190,366</b>	<b>17,546</b>

# First Quarter FY2014 (March 1, 2014 – May 31, 2014) Summary of Cash Flows



Consolidated (¥ million)	Q1 of FY2014	Q1 of FY2013	Change	Comments
<b>Cash flows from operating activities</b>	<b>29,359</b>	<b>(4,665)</b>	<b>34,025</b>	<p>[Year-on-year change in amount]</p> <ul style="list-style-type: none"> <li>- Decline in sales money deposited by specialty stores <span style="float: right;">+¥37,582 million</span></li> <li>* Delay in the return of deposits planned at the end of the quarter under review (from May 31 to June 2) <span style="float: right;">+¥21,260 million</span></li> <li>* In the first quarter of the previous year, the additional amount of sales deposits from tenants at the end of the preceding fiscal year was returned to the tenants to reflect the change in the fiscal year-end (from Feb. 20 to Feb. 28). <span style="float: right;">-¥11,167 million</span></li> </ul>
<b>Cash flows from investing activities</b>	<b>(28,133)</b>	<b>(40,167)</b>	<b>12,034</b>	<ul style="list-style-type: none"> <li>- Acquisition of tangible fixed assets <span style="float: right;">-¥42,855 million</span></li> <li>- Acquisition of long-term prepaid expense (the right to use the land overseas, etc.) <span style="float: right;">-¥579 million</span></li> <li>* Capital investment <span style="float: right;">¥43,435 million</span></li> <li>- Gain on sale of the right to claim the return of guarantee depositeds <span style="float: right;">+¥8,077 million</span></li> <li>- Proceeds from collection of guarantee depositeds <span style="float: right;">+¥4,411 million</span></li> <li>- Net increase in guarantee depositeds <span style="float: right;">+¥1,617 million</span></li> </ul>
<b>Cash flows from financing activities</b>	<b>16,216</b>	<b>34,406</b>	<b>(18,190)</b>	<ul style="list-style-type: none"> <li>- Proceeds from long-term loans payable <span style="float: right;">+¥2,564 million</span></li> <li>- Repayments of long-term loans payable <span style="float: right;">-¥4,940 million</span></li> <li>- Proceeds from issuance of bonds <span style="float: right;">+¥20,000 million</span></li> <li>- Dividends paid <span style="float: right;">-¥2,506 million</span></li> </ul>
<b>Cash and cash equivalents at year-end</b>	<b>75,466</b>	<b>30,729</b>	<b>44,737</b>	

## **2. Three-Year Medium-Term Management Plan (FY 2014 – 2016)**

# Medium-Term Business Plan (FY 2014 – 2016): Increase New Business Sites in Japan

## FY 2014 – 2016 Plan for New Mall Opening

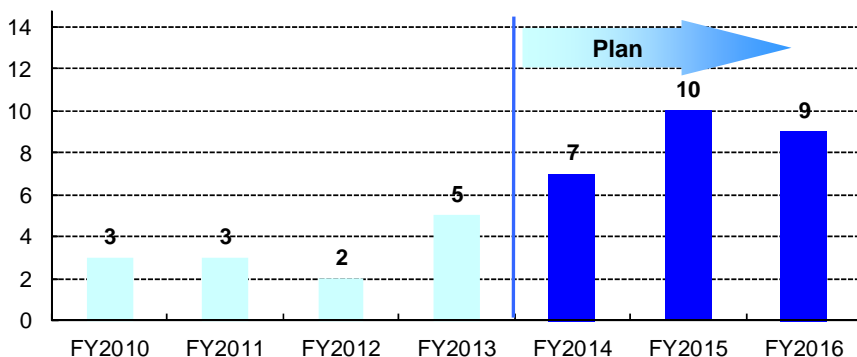
	Shopping malls	Location	Scheduled opening date	Site area	Floor area	Total leasing area	Parking	Address
FY2014	Aeon Mall Wakayama	Wakayama, Wakayama Pref.	March 16, 2014	About 155,000 m <sup>2</sup>	About 128,000 m <sup>2</sup>	About 69,000 m <sup>2</sup>	About 3,500 cars	573 Kusutani, Naka, Wakayama, Wakayama Pref.
	Aeon Mall Tendo	Tendo, Yamagata Pref.	March 21, 2014	About 140,000 m <sup>2</sup> (incl. approx. 46,000 m <sup>2</sup> of outside mall area)	About 68,000 m <sup>2</sup> (mall bldg.)	About 47,000 m <sup>2</sup> (mall bldg.)	About 3,000 cars	Block 34, Haga readjustment program area in Tendo, Yamagata Pref.
	Aeon Mall Nagoya Chaya	Nagoya, Aichi Pref.	June 27, 2014	About 186,000 m <sup>2</sup>	About 132,000 m <sup>2</sup>	About 75,000 m <sup>2</sup>	About 4,100 cars	2-11 Nishi-Chaya, Minato-ku, Nagoya, Aichi Pref.
	Aeon Mall Kyoto Katsuragawa	Kyoto, Kyoto Pref. Muko, Kyoto Pref.	October 17, 2014	About 92,000 m <sup>2</sup>	About 214,000 m <sup>2</sup>	About 77,000 m <sup>2</sup>	About 3,100 cars	376 and other, Kuzetakada-cho, Minami-ku, Kyoto, Kyoto Pref.; 50-1 Kunotsubo, Terado, Muko, Kyoto Pref.
	Aeon Mall Kisarazu	Kisarazu, Chiba Pref.	October 2014	About 283,500 m <sup>2</sup> (North block) approx. 256,200 m <sup>2</sup> (South block) approx. 27,300 m <sup>2</sup>	About 89,000 m <sup>2</sup> (excl. area of outer wings)	About 68,200 m <sup>2</sup> (excl. area of outer wings)	About 4,000 cars	1-4 & 1-6 Tsukiji, Kisarazu, Chiba Pref.
	Aeon Mall Okayama	Okayama, Okayama Pref.	November 2014	About 46,000 m <sup>2</sup>	About 250,000 m <sup>2</sup>	About 88,000 m <sup>2</sup>	About 2,500 cars	1 Shimoishii, Kita-ku, Okayama, Okayama Pref. (in front of the west exit of JR Okayama Station)
	Aeon Mall Tamadaira-No-Mori	Hino, Tokyo	November 2014	About 30,900 m <sup>2</sup>	About 75,000 m <sup>2</sup>	About 25,000 m <sup>2</sup>	About 990 cars	2-4-1 & 4 Tamadaira, Hino, Tokyo (Tamadaira-No-Mori Commercial District)
FY2015	Aeon Mall JR Asahikawa (tentative)	Asahikawa, Hokkaido	Spring of 2015	About 28,300 m <sup>2</sup> (incl. approx. 9,800 m <sup>2</sup> under the railway line)	About 76,700 m <sup>2</sup> (All facilities incl. multistory parking garage)	About 19,000 m <sup>2</sup> * Retail area	About 900 cars	7 and other, Miyashitadori, Asahikawa, Hokkaido (Directly connected to JR Asahikawa Station)
	Aeon Mall Okinawa Rycom	Kitanakagusuku, Nakagami-gun, Okinawa Pref.	Spring of 2015	About 175,000 m <sup>2</sup>	About 160,000 m <sup>2</sup> (incl. multistory parking garage)	About 78,000 m <sup>2</sup>	About 4,000 cars	Awase Land Adjustment Program Area in Kitanakagusuku, Nakagami-gun, Okinawa Pref.
FY2016	Aeon Mall Imabari Shintoshii (tentative)	Imabari, Ehime Pref.	Spring of 2016	About 122,000 m <sup>2</sup>	About 68,000 m <sup>2</sup>	About 53,000 m <sup>2</sup>	About 2,900 cars	1-1 Nigiwai Hiroba, Imabari, Ehime Pref.
	Aeon Mall Higashimatsumoto (tentative)	Matsumoto, Nagano Pref.	Fall of 2016	About 62,500 m <sup>2</sup>	Undisclosed	Undisclosed	Undisclosed	4-137-22 and others, Chuo, Matsumoto, Nagano Pref.
	Aeon Mall Takasaki Ekimae (tentative)	Takasaki, Gunma Pref.	FY2015	About 7,400 m <sup>2</sup>	About 45,000 m <sup>2</sup>	Undisclosed	Undisclosed	Yashima-cho, Takasaki, Gunma Pref.
FY2017	Aeon Mall Ageo (tentative)	Ageo, Saitama Pref.	Spring of 2017	About 71,800 m <sup>2</sup>	Undisclosed	Undisclosed	Undisclosed	3-1808-1 and other, Atago, Ageo, Saitama Pref.
FY2018	Aeon Mall Hiratsuka (tentative)	Hiratsuka, Kanagawa Pref.	2018	About 126,000 m <sup>2</sup>	Undisclosed	Undisclosed	Undisclosed	Okami, Hiratsuka, Kanagawa Pref. (planned site for Tw in City Okami land readjustment program area)

Eight other malls are scheduled to be opened

Six other malls are scheduled to be opened

\* Only new malls already announced are included above.

## Number of New Business Site Openings in Japan



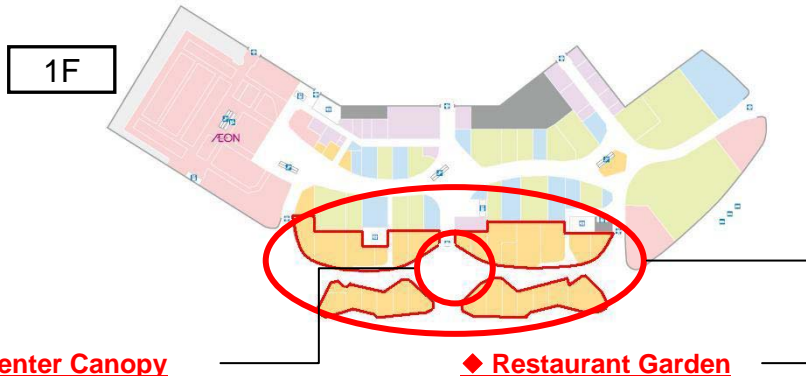
# New Malls to Open in Second Quarter of FY2014 or Thereafter

## New Business Bases in Japan

For casual shopping

### AEON Mall Nagoya Chaya

- Location: 2-11 Nishi-Chaya, Minato-ku, Nagoya, Aichi Prefecture
- Scheduled opening: June 27, 2014
- Site area: About 186,000 m<sup>2</sup>
- Floor area: About 132,000 m<sup>2</sup>
- Total leasing area: About 75,000 m<sup>2</sup>
- Parking: About 4,100 cars
- Specialty stores: About 200



◆ Center Canopy

◆ Restaurant Garden

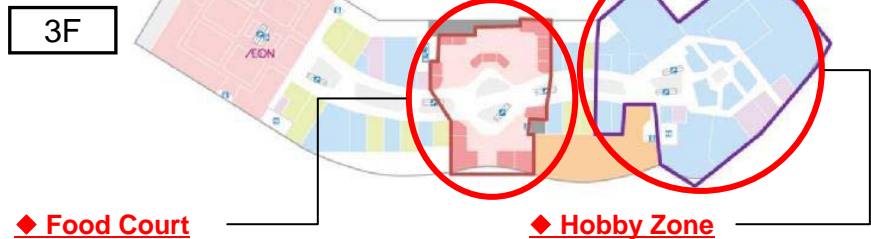


At the center of the Restaurant Garden, there is a Center Canopy, a membrane roof, covering a large area. The Center Canopy functions as a center for communication in the entire mall.

There are 21 restaurants around the Center Canopy, which is to the south of the first floor of the building. The tenants include new types of restaurants, tenants opening their first restaurant in the Tokai region, and restaurants opened by popular restaurants in the region.

### Features of the mall

- The mall is located at the center of the Chayashinden land readjustment area in the south-west of Nagoya. A new urban area including schools, houses, and parks is being created, and new development is expected.
- The mall has approx. 200 specialty stores, including 36 tenants opening their first store in Aichi Pref. (31 tenants opening their first store in the Tokai region).
- The concept of the building is “Nanyo-no-oka (Nanyo Hill).” The design incorporates the beauty of nature and is in harmony with the surrounding environment.
- As the first facility using the “development improvement promotion area system” for the first time in Nagoya, the mall will contribute to the enhancement of urban functions, taking the surrounding environment into account.
- Under the agreement with the government of Nagoya, the mall is designated as a tsunami evacuation building and has a function as a base for reconstruction after a disaster.



◆ Food Court

◆ Hobby Zone



There are approximately 900 seats at the center of the third floor. To the north of an open ceiling space, there is a food court for adults. To the south, there is a food court for families.

The Hobby Zone has 16 hobby and culture stores. At the center of the zone, there is a Lecture Space, where customers will experience events.

# New Malls to Open in Second Quarter of FY2014 or Thereafter

## New Business Bases in Japan

### AEON Mall Kyoto Katsuragawa

- Location: 376 and other, Kuzetakada-cho, Minami-ku, Kyoto City, Kyoto Prefecture; 50-1 Kunotsubo, Terado-cho, Muko City, Kyoto Prefecture
- Scheduled opening: October 17, 2014
- Site area: About 92,000 m<sup>2</sup>
- Floor area: About 214,000 m<sup>2</sup>
- Total leasing area: About 77,000 m<sup>2</sup>
- Parking: About 3,100 cars
- Specialty stores: About 220



#### Shopping mall concept

“When you enter the Aeon house, you are excited.”

The architectural design conjures up a merchant's wooden house unique to Kyoto. We aim to create a space where customers are excited as soon as they enter it as if they entered a merchant's wooden house.

#### Features of the mall

- The design of the interior and exterior is in harmony with the streets of Kyoto, with traditional elements of Kyoto are arranged in contemporary style.
- The mall has good access to public transportation and roads. It is directly connected to Katsuragawa Station on the JR Kyoto Line and is close to national roads and expressways.
- The mall has approx. 220 specialty stores, including 20 tenants opening their first store in Japan, 50 tenants opening their first store in the Kinki region, and 110 tenants opening their first store in Kyoto.
- As a Smart Aeon, a next-generation eco-friendly store, the mall aims to cut CO<sub>2</sub> 40% and to have a function as a facility to secure power sources in case of a disaster.



### AEON Mall Kisarazu

- Location: 1-4 & 1-6 Tsukiji, Kisarazu, Chiba Prefecture
- Scheduled opening: October 2014
- Site area: About 283,500 m<sup>2</sup>  
North block about 256,200 m<sup>2</sup>; South block about 27,300 m<sup>2</sup>
- Floor area: About 89,000 m<sup>2</sup>
- Total leasing area: About 68,200 m<sup>2</sup>
- Parking: About 4,000 cars
- Specialty stores: About 200



#### Shopping mall concept

### BOSO Central Gate

A town where visitors and residents gather and interact

We aim to create a regional shopping mall that will provide the best entertainment in the Boso Peninsula in terms of both scale and quality.

#### The location

- The planned mall is located in the district under the Minato Kisarazu Renaissance Plan, which is being developed as the center for wide-area exchange that increases mobility based on the characteristics of the surrounding areas.
- New urban areas are being developed in the city of Kisarazu in land readjustment projects, which supply a large number of high-quality, affordable houses and help the development of trade areas that can promote population growth.
- The planned site is situated in a coastal area close to the Kisarazu urban area and the Kisarazu Interchange on the Tateyama Expressway, accessible from inter-regional trunk roads such as National Route 16 and Route 127. The opening of the Ken-O Expressway is expected to attract visitors from not only southern Boso Peninsula, but a wider area.



# New Malls to Open in Second Quarter of FY2014 or Thereafter

## New Business Bases in Japan

### AEON Mall Okayama

- Location: 1 Shimoishii, Kita-ku, Okayama City, Okayama Prefecture
- Scheduled opening: November 2014
- Site area: About 46,000 m<sup>2</sup>
- Floor area: About 250,000 m<sup>2</sup>
- Total leasing area: About 88,000 m<sup>2</sup>
- Parking: About 2,500 cars
- Specialty stores: About 350



#### Shopping mall concept

### A special zone creating a future Okayama style

#### Urban experience

Okayama as a city that does not lag behind the larger cities



#### New Okayama style

Okayama as a city that values traditions

### AEON Mall Okayama

#### Features of the mall

The full-scale TV studio of a local TV station, Okayama Broadcasting, is located on the 5th and 6th floors. It introduces various local attractions and provides information about Okayama.

A local department store, Okayama Takashimaya, is set to open as the key store in the urban marché (market) zone "PREMIUM AVENUE" on the 1st floor.

### AEON Mall Tamadaira-no-Mori

- Location: 2-4-1 & 4 Tamadaira, Hino, Tokyo
- Scheduled opening: November 2014
- Site area: About 30,900 m<sup>2</sup>
- Floor area: About 75,000 m<sup>2</sup>
- Total leasing area: About 25,000 m<sup>2</sup>
- Parking: About 990 cars



#### Shopping mall concept

### A Verdant Garden of the Community

Visits to the mall will enrich daily life and will enhance the pleasure of living in Tamadaira

#### The location

- The planned site has good access to public transportation: It is close to the north exit of Toyoda Station on the JR Chuo Line. It is also accessible from a trunk road, around 500 m to the south of National Route 20.
- The mall is positioned as a center for exchange in Hino City's Community Planning Master Plan. While inheriting the culture, history, and rich natural environment of the community, the mall aims to revitalize the community in coordination with the shopping streets around it.

# Medium-Term Business Plan (FY 2014 – 2016): Increasing Earning Power

Promote opening of new concept malls

- Establish new renewal models
- Add new functions to existing malls
  - Change zoning and add specialty stores to serve local needs

Cooperation with Aeon's partner tenant association (8,000 member companies)

Carry out nationwide uniform promotion activities

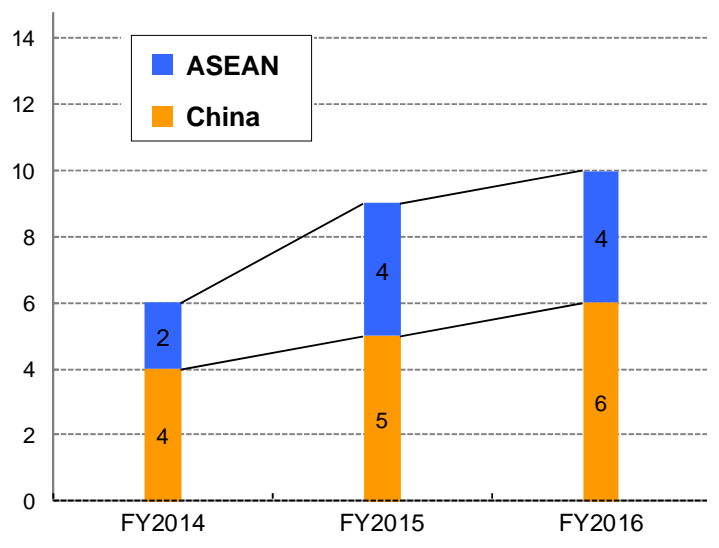
Use economies of scale with more than 130 malls in Japan

Revenue from events using mall space  
Seek best practice for the operating system  
→ Optimize the mall management and operation personnel  
(Secure human resources for new malls in Japan and overseas)

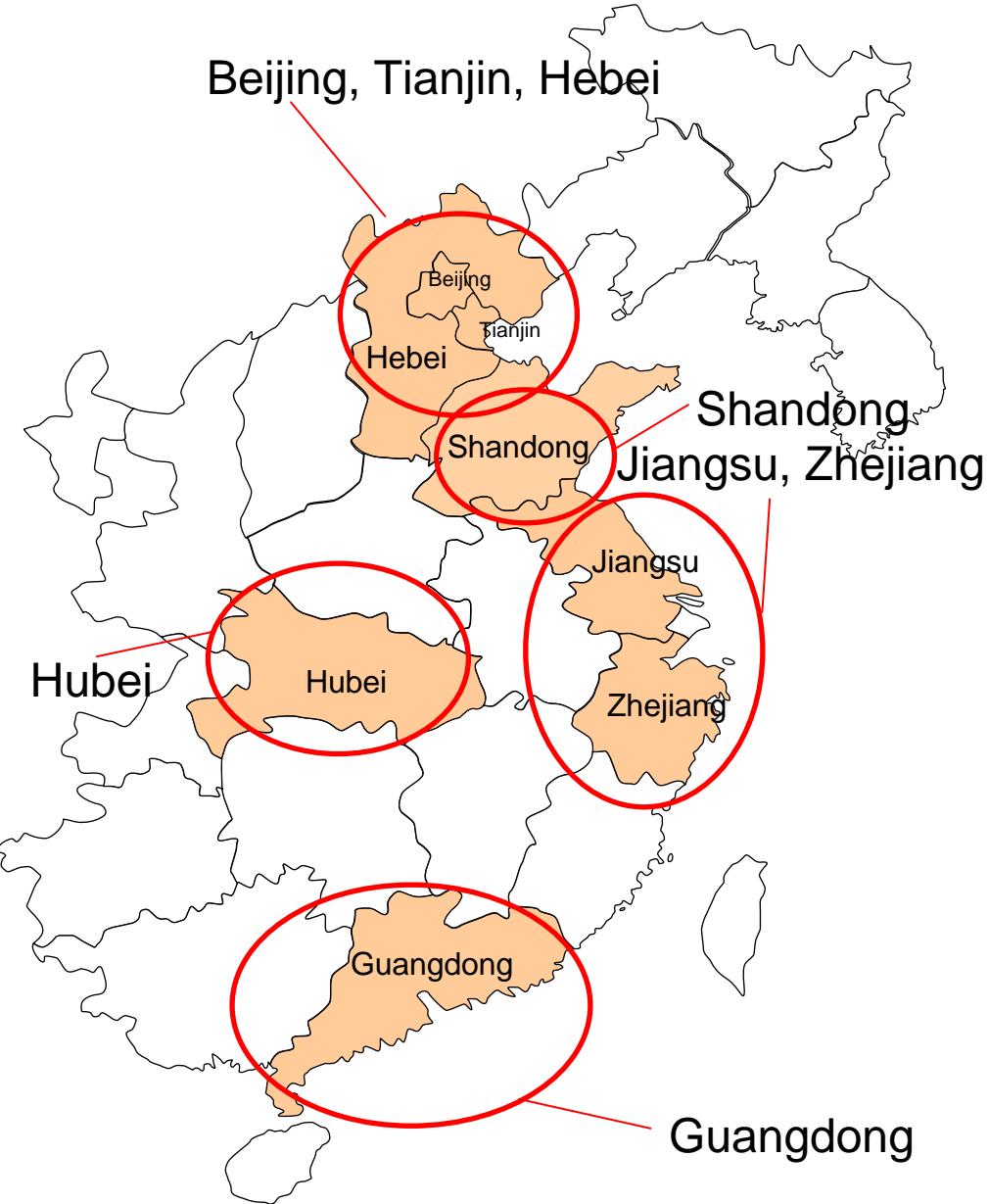
# Medium-Term Business Plan (FY 2014 – 2016): Overseas Business



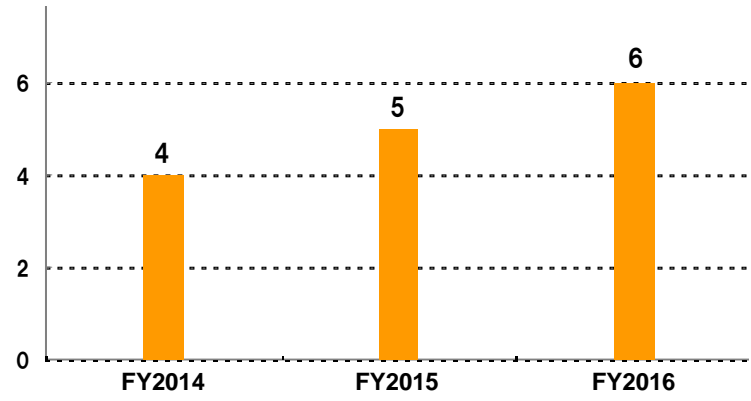
**Number of overseas malls planned to be opened**



# Medium-Term Business Plan (FY 2014 – 2016): Business in China



## Number of malls planned to be opened



## List of planned malls

Opening	Name of Mall	Site area	Floor area	Location
FY 2014	AEON MALL Suzhou Wuzhong (Opened April 25, 2014)	About 114,000 m <sup>2</sup>	About 154,600 m <sup>2</sup>	188 Yue Xi Su Zhen Tao Lu, Suzhou Wuzhong, Jiangsu
	AEON MALL Guangzhou Qing He	About 51,400 m <sup>2</sup>	About 172,900 m <sup>2</sup>	Qing He Lu, Nan Sha Qu, Guangzhou, Guangdong
	AEON MALL Suzhou Yuanqu Hudong	About 99,300 m <sup>2</sup>	About 219,000 m <sup>2</sup>	Suzhou Industrial Park, Su Zhou, Jiangsu
	AEON MALL Wuhan Jinyintan	About 88,000 m <sup>2</sup>	About 177,000 m <sup>2</sup>	Dongxihu, Wuhan, Hubei
FY 2015	AEON MALL Yanjiao	About 84,000 m <sup>2</sup>	About 175,000 m <sup>2</sup>	Yanjiao Economic & Technological Development Zone, Sanhe City, Hebei
	AEON MALL Beijing Fengtai	About 63,800 m <sup>2</sup>	About 147,300 m <sup>2</sup>	Ke Ji Da Dao, Feng Tai Qu, Beijing
	AEON MALL Guangzhou Jinshazhou	About 84,500 m <sup>2</sup>	About 187,700 m <sup>2</sup>	Baiyun, Guangzhou, Guangdong
	AEON MALL Hang Zhou Liang Zhu Xin Cheng (tentative name)	About 94,800 m <sup>2</sup>	About 176,000 m <sup>2</sup>	Gudun Road (Liangzhu Xincheng), Yuhang District Hangzhou City, Zhejiang
	AEON Mall Wu Han WEDZ (tentative name)	About 129,900 m <sup>2</sup>	About 274,600 m <sup>2</sup>	WEDZ (Wuhan Economic and Technological Development Zone)
FY 2016	AEON MALL Tianjin Wuqing	About 95,000 m <sup>2</sup>	About 143,800 m <sup>2</sup>	Jing Jin Gong Lu, Xia Zhu Zhuang, Wu Qing Qu, Tianjin
	AEON MALL Wu Han Shi Qiao	About 46,200 m <sup>2</sup>	About 120,900 m <sup>2</sup>	Jiang An Qu, Wuhan, Hubei

\* Only new malls already announced are included above.

\* Mall opening plans are shown based on the Japanese accounting year. The fiscal year end of local subsidiaries in China is at the end of December.



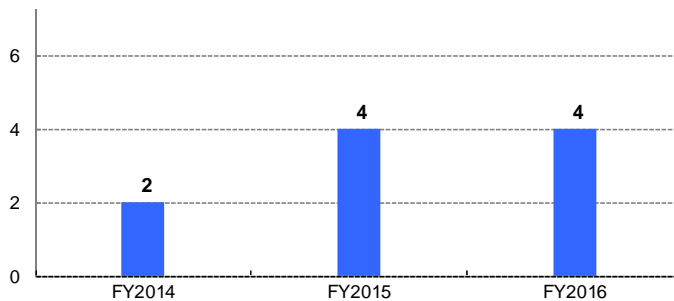
Aeon Mall Suzhou Industrial Park East Lake



Aeon Mall Wuhan Jinyintan

# Medium-Term Business Plan (FY 2014 – 2016): ASEAN Business

## Number of malls planned to be opened



## List of planned malls

	Cambodia	# of malls planned to be opened	Vietnam	# of malls planned to be opened	Indonesia	# of malls planned to be opened
FY2014	Aeon Mall Phnom Penh	1	Aeon Mall Binh Duong Canary	1		0
FY2015		0	Aeon Mall Long Bien One other mall (Undisclosed)	2	Aeon Mall BSD City Aeon Mall JGC (Tentative) (Jakarta Garden City)	2
FY2016		0	One mall (Undisclosed)	1	Aeon Mall Deltamas (Tentative) Two other malls (Undisclosed)	3

- Only information about new malls already announced is provided here.
- The starting year for Aeon Mall BSD City in Indonesia was changed from 2014 to 2015.

\* Mall opening plans are shown based on the Japanese accounting year. The fiscal year end of local subsidiaries in Vietnam and Cambodia is at the end of December. The fiscal year end of local subsidiaries in Indonesia is at the end of February.

## Cambodia: AEON MALL (CAMBODIA) CO., LTD.



### ● Opening FY2014 Aeon Mall Phnom Penh

**Grand opening on Monday, June 30, 2014**

The planned site is close to Diamond Island, which has been developed as a new leisure area at center of the capital Phnom Penh. This area is expected to develop further as there are high-end residential areas and hotels around it and most of the residents belong to middle- and high-income households.

Location: #132, Street Sothearos, Sangkat Tonle Bassac Khan Chamkarmon, Phnom Penh (next to Paska River Sofitel Hotel)  
Site area: About 68,000 m<sup>2</sup>  
Floor area: About 108,000 m<sup>2</sup>  
Total leasing area: About 66,000 m<sup>2</sup>  
Specialty stores: About 190 stores  
Anchor stores: AEON (GMS)  
Parking: About 1,600 motorbikes, about 1,400 cars

## Vietnam: AEON MALL VIETNAM CO., LTD.

### ● Opening FY2014 Aeon Mall Binh Duong Canary

Received a commission to manage tenant leasing operations for 2nd Aeon Mall opening in Ho Chi Minh City, Vietnam.  
Location: Canary Complex Area, Binh Duong Boulevard, Binh Hoa ward, Thuan An town, Binh Duong province  
Site area: 62,015 m<sup>2</sup>  
Specialty stores: About 130 stores  
Anchor stores: AEON (GMS)

### ● Opening FY2015 (Commencement of construction work on April 11, 2014) Aeon Mall Long Bien

The planned site is about five kilometers to the east of Hoan Kiem Lake, located in the center of Hanoi City. Long Bien district is specified as a new residential area under the Hanoi City Master Plan established in 2011 (the vision for 2030 towards 2050). In this area, roads and houses are being developed and constructed, and a continuous population inflow is being seen.  
Location: Hanoi IT Park Project in Sai Dong B Industrial Zone, Phuc Dong and Long Bien Ward, Long Bien District, Hanoi,  
Site area: About 96,000 m<sup>2</sup> Floor area: About 110,000 m<sup>2</sup>  
Total leasing area: About 73,400 m<sup>2</sup>  
Anchor stores: AEON (GMS) Specialty stores: About 180 stores  
Parking: About 4,000 motorbikes, about 1,000 cars



## Indonesia: PT AEON MALL INDONESIA

### ● Opening FY2015 Aeon Mall BSD City

It is located in the south-west of Jakarta. The full-scale development has been underway since 2003. Stores will be opened in the BSD district. The district is expected to develop substantially as the houses, industrial facilities, schools, hospitals, golf courses, sports facilities and others are constructed. In the future, the expressway is planned to extend to this area.  
Location: Bsd City, Banten, Tangerang, Republic of Indonesia  
Site area: About 100,000 m<sup>2</sup> Floor area: About 165,000 m<sup>2</sup>  
Total leasing area: About 77,000 m<sup>2</sup>  
Parking: About 2,700 cars Specialty stores: About 190 stores  
Anchor stores: AEON (GMS)



### ● Opening FY2015 Aeon Mall JGC (Jakarta Garden City) (tentative name)

Location: Jalan Cakung Cilincing, Cakung, Jakarta, the Republic of Indonesia  
Site area: About 85,000 m<sup>2</sup> Total leasing area: About 91,000 m<sup>2</sup>  
Anchor stores: AEON (GMS)

### ● Scheduled opening: from FY2015 Aeon Mall Deltamas (tentative name)

Location: Hegarmukti village, Cikarang Pusat subdistrict, Bekasi Regency, Jawa Barat Province  
Site area: About 200,000 m<sup>2</sup> Floor area: About 125,000 m<sup>2</sup>  
Anchor stores: AEON (GMS)

# Medium-Term Business Plan (FY 2014 – 2016): ASEAN Business (Cambodia)

## ASEAN Business

Find something for the future: Touch AEON; tough your future.  
We fill your town with surprise, joy, and excitement.

### AEON Mall Phnom Penh

- Location: #132, Street Sothearos, Sangkat Tonle Bassac Khan Chamkarmon, Phnom Penh (next to Paska River Sofitel Hotel)
- Scheduled opening:  
Grand opening on June 30, 2014
- Site area: About 68,000 m<sup>2</sup>
- Floor area: About 108,000 m<sup>2</sup>
- Total leasing area: About 66,000 m<sup>2</sup>
- Parking: About 1,600 motorbikes, about 1,400 cars
- Specialty stores: About 190 stores



### Features of the mall

- The mall is located in the center of the capital Phnom Penh. This area is expected to develop further, with the high-end residential areas and hotels that surround it and given that most residents are middle- and high-income households.
- It has an advanced tenant mix. The tenants include 107 opening their first store in Cambodia, 43 outlets of Phnom Penh's local brands, and 49 Japanese tenants.
- It also boasts Cambodia's largest cinema complex and a skate rink. A local TV station, the most popular among young Cambodians, covers the latest trends.
- There is a world food court, the largest in Cambodia, having approx. 1,200 seats, along with restaurants, including stylish open-air eateries.
- The mall has a number of facilities providing services, including fashionable hair salons, facilities for relaxation, and new concept facilities for after-school activities.
- It promotes energy saving, introducing photovoltaic power generation equipment and LED lighting.

#### ◆ International Fashion Zone (GF)

The tenants are the most fashionable brands from different countries. From Japan, World Co., Ltd. has opened a FLAXUS TOKYO store as a flagship store. A number of brands not only of Cambodia but also of other ASEAN countries, including the Philippines and Indonesia, have opened their first store in Cambodia. L'OCCITANE, the popular global brand, has also opened its first store in Cambodia.



#### ◆ World Dining (2F)

The concept is a food court in a resort hotel. At the center is an "islands-type" kitchen area. Visitors can enjoy Cambodian cuisine and cuisines from different countries as if they enjoyed live performances. There is a stage, and events, such as piano concerts, will be held.



#### ◆ Amusement Zone (2F)

As a sub-anchor tenant, Major Cineplex Group operates Cambodia's largest cinema complex with seven screens. Major Cineplex Group also operates bowling alleys with a night club.



#### ◆ Terrace Avenue (GF)

Terrace Avenue consists of popular tenants, which operate restaurants during the day and bars in the evening. The tenants include a popular local café chain and a restaurant directly operated by a local brewery. From Japan, Watami, a pub chain, has opened a Japanese restaurant, and HotLand has opened a grilled chicken pub. In the Service Corner, HIS has opened its first branch in Phnom Penh.



#### ◆ Japan Dining (2F)

To create a Japanese atmosphere, a miniature arched bridge and a miniature river bed with some seats are situated at the center, surrounded by a miniature garden. Japanese tenants include Yoshinoya, Iyo Seimen, and Gindaco.



#### ◆ TV studio & skate rink (4F)

The ice skate rink is a full-scale one whose area is 1,000 sq. meters. On part of the floor, there is snow. From a TV studio, the most popular in Cambodia, in the mall, programs are broadcast nationally.



# Medium-Term Business Plan (FY 2014 – 2016)

## Consolidated Full-Year Forecast for FY2014

	Amount	YoY
Operating revenue	¥208.0 billion	117.6%
Operating income	¥46.0 billion	108.9%
Ordinary income	¥43.5 billion	106.0%
Net income	¥25.0 billion	106.7%
Net income per share	¥109.72	-
Capital expenditure	¥190.0 billion	
Depreciation	¥31.0 billion	

## Consolidated Earnings Targets for 2014 – 2016

	FY2015	3-yr. avg. growth rate
Operating revenue	¥300.0 billion	119.2%
Ordinary income	¥60.0 billion	113.5%
	3-yr. total	
Capital expenditure	¥600.0 billion	
Depreciation	¥116.0 billion	

## Management Indicator Targets

	Target indicator	Target performance
Efficiency	Return on invested capital (ROIC)	6% or above
Soundness	Equity ratio	30% or above
	D/E ratio	1 time or less

The information and forward-looking statements, including the earnings forecast, contained in this material are based on information presently available to the company and certain assumptions judged to be reasonable, and the company can give no assurance that its expectations will be achieved. Actual results may differ materially from these projections due to a range of factors.