



Financial Results for the First Three Quarters of FY2014 (March 1, 2014 – November 30, 2014)



AEON MALL Co., Ltd.
(TSE: 8905)

January 9, 2015



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1. Summary of Financial Results for the First Three Quarters of the Fiscal Year Ending February 2015

New Mall Openings in FY2014



In Japan: 7 new malls opened



China: 1st mall in Jiangsu Province: Aeon Mall Suzhou Wuzhong opened

1st mall in Hubei Province: Aeon Mall Wuhan Jinyintan opened



ASEAN countries:

1st mall in Cambodia: Aeon Mall Phnom Penh opened

2nd mall in Vietnam: Aeon Mall Binh Duong Canary opened

Total of 11 new malls opened in 2014.

Overview of Consolidated Results

(Million yen, %)

| | 3Q of FY2014 (Actual) | 3Q of FY2013 (Actual) | Year-on-year |
|--|-----------------------|-----------------------|--------------|
| Operating revenue | 147,868 | 128,103 | 115.4 |
| Operating costs | 103,494 | 84,990 | 121.8 |
| Gross profit | 44,374 | 43,113 | 102.9 |
| Selling, general and administrative expenses | 15,872 | 12,933 | 122.7 |
| Operating income | 28,501 | 30,179 | 94.4 |
| Ordinary income | 28,023 | 29,614 | 94.6 |
| Net income | 15,936 | 17,624 | 90.4 |
| Net income per share* | 69.94 | 81.52 | — |

* The Company issued 23,500,000 common shares in a capital increase through a public offering for which the payment date was June 19, 2013, and 2,500,000 common shares in a capital increase through the private placement of new shares for which the payment date was July 12, 2013. The Company also conducted a stock split of 1.1 shares for every common share as of August 1, 2013, and net income per share for Q3 of FY2013 was calculated by assuming that this stock split had been conducted at the beginning of the previous fiscal year.

| | Number of new malls opened*1 | Number of malls (as of November 30, 2014) |
|----------|------------------------------|---|
| Japan | 7 | 139 *2 |
| China | 1 | 5 |
| Cambodia | 1 | 1 |
| Vietnam | 1 | 2 |
| Total | 10 | 147 |

*1 The number of malls that opened during the period between March 1, 2014, and November 30, 2014 (including Aeon Mall Okayama, which pre-opened on November 29, 2014)

*2 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.

< Business overview of malls in Japan >

- 58 existing malls
Sales at specialty stores
Down 0.9% year on year
Operating revenue Up ¥599 million (up 0.5% year on year)
Operating income* Down ¥2,099 million (down 5.1% year on year)
- 12 new malls
<FY2013: Five malls, FY2014: Seven malls>
Operating revenue Up ¥14,135 million (up 254.0% year on year)
Operating income* Up ¥4,205 million (up 154.3% year on year)

< Business overview of overseas malls (China and ASEAN countries) >

- Three existing malls (Jan.-Nov.)
Sales at specialty stores Up 18.1% year on year
Number of visitors to malls Up 21.2% year on year
- Five new malls
<FY2013: Two malls, FY2014: Three malls>
All results are generally as planned.

< Causes of increased SG&A expenses >

- The increase was caused by the organizational improvement to add malls in Japan and the expansion of overseas business facilities to accelerate business development in China and ASEAN countries.
- While the cumulative total of SG&A expenses increased substantially by 127.2% in 1H, the growth rate was reduced to 113.7% during the three months of Q3.

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: 155,000 m²
- Floor area: 128,000 m²
- Total leasing area: 69,000 m²
- Parking: 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.

< Center Roof >



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

< 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.

Gathering, Relaxing, and Playing

Aeon Mall Tendo

- Location: Block 34, Haga readjustment program area in Tendo, Yamagata Pref.
- Opening: Grand opening on March 21, 2014
- Site area: 140,000 m² (incl. 46,000 m² of outside mall area)
- Floor area: 68,000 m²
- Total leasing area: 47,000 m²
- Parking: 3,000 cars
- Specialty stores: 130



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.

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.

For casual shopping

Aeon Mall Nagoya Chaya

- Location: 2-11 Nishi-Chaya, Minato-ku, Nagoya, Aichi Pref.
- Opening: June 27, 2014
- Site area: 186,000 m²
- Floor area: 132,000 m²
- Total leasing area: 75,000 m²
- Parking: 4,100 cars
- Specialty stores: 200



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 34 tenants opening their first store in Aichi Pref. (28 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.

< Center Canopy >



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.

< Hobby Zone >



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 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: 92,000 m²
- Floor area: 214,000 m²
- Total leasing area: 77,000 m²
- Parking: 3,100 cars
- Specialty stores: 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 mall is directly connected to Katsuragawa Station on the JR Kyoto Line, located two stations or about five minutes away from Kyoto Station and located at a short distance of some 300 meters from Rakusaiguchi Station on the Hankyu Kyoto Line. At JR Katsuragawa Station, there is a bus terminal where fixed-route buses linking to new suburban areas are available. It is a hub of for public transportation connecting to the surrounding areas.
- Standing on Prefectural Road No. 201, which is connected to National Route 171 linking between Kyoto and Osaka, the mall is easy to reach by car from the Kyoto Minami Interchange on the Meishin Expressway and from the Kutsukake or Oharano Interchanges on the Kyoto-Jukan Expressway.
- The mall introduces a traditional look featuring the ancient capital of Kyoto in a contemporary manner to match the facility with the scenery of Kyoto and achieve integration of tradition and innovation. The exterior look is matched with Kyoto's scenery in contrast with the interior design, which uses different elements of Kyoto modified in a contemporary manner.
- 220 specialty stores have been accommodated, including 110 stores of tenants opening their first stores in Kyoto Prefecture. Nearly 30% of them, or 61 stores, deal in food. Many other stores handle the latest fashion items, clothing and miscellaneous interior and other items that make everyday life richer and more colorful.

A wide variety of food stores and restaurants with the atmosphere with Kyoto's elegance

< Katsuragawa Koji (food stores) on 1F >



To produce vigor and liveliness, the interior passageway uses uniform intervals to add a sense of unity to the space.

< Rakusai Koji (restaurant zone) on 2F >



The façade really looks like a traditional wooden townhouse. With close attention has been paid to the materials, lattices and other decorations, a pleasant space featuring a street culture unique to Kyoto is produced, and it is enjoyable to just stroll around inside.

An exterior design incorporating Kyoto's traditional elements

< Round window >

The symbolic design represents the morning star in the daytime and gentle light from a paper-covered lamp at night.



< Kasane no Irome >

A method of kasane-no-irome is used for external coloring. It lays traditional Japanese colors one over another. It uses two seasonal colors that look different depending on the viewing angle.

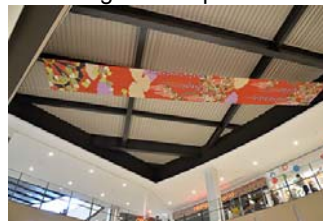


< Katsuragawa Butai (outdoor stage) >

In the northwestern part of the premises, there is an outdoor stage, where regional and seasonal events can be held.

Further improved anti-quake performance

< Ceiling without plate >



No ceiling material is put on the ceiling in individual courts and in the open ceiling space. The cinema complex in the mall is designed to prevent serious damage resulting from an extensive fall of the ceiling.

New Business Bases in Japan

Aeon Mall Kisarazu

- Location: 1-4 & 1-6 Tsukiji, Kisarazu, Chiba Prefecture
- Scheduled opening: October 18, 2014
- Site area: 283,500 m²
- Floor area: 90,000 m²
- Total leasing area: 84,000 m²
- Parking: 4,000 cars
- Specialty stores: 160



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.

Features of the mall

- Aeon Mall Kisarazu is located in the Tsukiji district, which is positioned as the location for the basic plan for the Minatomachi Kisarazu Saisei Project (port town Kisarazu revitalization project) by the Kisarazu City government.
- 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.

An active pleasure zone in large premises

< Rovers Futsal Stadium >



In addition to three futsal courts, Rovers Football Academy, a soccer school for preschool to elementary school children, was established.

< Kisarazu Circuit >



There is an original circuit racing course with a total length of 410 m that can be enjoyed by beginners and skilled racers. A junior school will be held in the summer.

< DIGIQ BBQ Café >



In the BBQ field, users can bring local food offered at Tokyo 24-ku in AEON Kisarazu or have a fun time enjoying the food they brought in or provided by DIGIQ BBQ. Cafe.

New type stores and large-scale specialty stores

< HUNT de odekake >



This is a car lifestyle store based on the concept of the starting a trip. It is Japan's first store to offer a combination of trips and cars.

< Tokyo 24-ku >



This location consists of the Delicious Chiba food court and a store of food and good miscellaneous items. Based in the city of Kamogawa in Chiba Prefecture, the Shiosai Group mainly offers specialty goods from Chiba Prefecture.

< US Cinema Kisarazu >



This is a ten-screen cinema complex for which the locals have longed. It has the latest systems that move the seats, blow wind, spray water and perform other functions.

Disaster control and regional infrastructure

< A ground level for tsunami control measures >

To maintain the functions of the facility as a center of regional reconstruction in the event the area around the mall comes under water following a tsunami, the facility has been built on ground that is one meter higher than the expected tsunami water level according to the Kisarazu City Tsunami Hazard Map (3.5 m above T.P. (average sea level in the Tokyo Bay)).

< Live Park (outdoor stage) >



On the southeastern part of the premises, there is a park with an outdoor stage, called Live Park. The stage can be viewed from the terrace on the second floor which is directly connected with stairs. The stage serves as a space for various large-scale, local and seasonal events.

New Business Bases in Japan

Aeon Mall Tamadaira Woods

- Location: 2-4-1 Tamadaira, Hino, Tokyo
- Scheduled opening: November 20, 2014
- Site area: 30,900 m²
- Floor area: 75,000 m²
- Total leasing area: 24,000 m²
- Parking: 980 cars
- Specialty stores: 130



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

Features of the mall

- 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.



Features of the Mall

A new base for communication in the region

< Mori-No Stage Gate >



An outdoor square where many different events can be held is located in front of the main entrance. It serves as an approach for those coming from the railway station.

< Nukumori Garden >



Designed with the motif of the Tamadaira forest, the large open ceiling space from the first floor to the third is rich in greenery and gives comfort.

< Wakimizu no Hiroba >



* Scheduled to open in fall 2015
A large space along the nearby promenade is suggestive of the traditional Hino Yosui canal.

A one-stop solution to boost life convenience of locals

< Mori no Kitchen Court >



A relaxing space associated with the Tamadaira forest and sunbeams filtering through leaves has 750 seats.

< Floor for parents and their kids >



To meet the needs of the area around Tamadaira where more and more families have moved to live, a floor where parents and children can spend time together has been developed.

Actions for environmental conservation

< Oka no Harappa >



A rooftop biotope has been introduced. It aims to be certified as a *business establishment in harmony with nature* to encourage environmental education and raise environmental awareness.

Safety and Security Measures

Distribution of information on digital signage

In the event of emergency or disaster such as an earthquake with intensity level 5 on the JMA scale in a neighboring prefecture, an act of terrorism, volcanic eruption, a typhoon or a heavy downpour, the digital signage in the Nukumori Garden on the first floor will be switched to display emergency TV broadcast to swiftly offer information to shoppers.

Measures against heavy downpours

On the basis of the heaviest rainfall in the past in the surrounding area, the rainwater drainage has been designed to withstand a rainfall of 150 mm an hour. In accordance with the outdoor facility rainwater drainage plan, a rainwater permeation tank and a rainwater permeation trench are installed to reduce the rainwater outflow.

First Three Quarters FY2014 (March 1, 2014 – November 30, 2014) Review



Revitalizing Existing Malls

| Shopping malls | Location | Date reopened | Tenants | 1. New tenants* | 2. Relocations & refurbishments | No. of tenants on reopening (1 + 2) |
|-----------------------------|------------------------------------|---------------|---------|-----------------|---------------------------------|-------------------------------------|
| Aeon Mall Nogata | Nogata City, Fukuoka Prefecture | March 7 | 140 | 6 (3) | 10 | 16 |
| Aeon Mall Kawaguchi Maekawa | Kawaguchi City, Saitama Prefecture | March 14 | 170 | 15 (4) | 20 | 35 |
| Aeon Mall Kisogawa | Ichinomiya City, Aichi Prefecture | March 14 | 160 | 15 (7) | 6 | 21 |
| Aeon Mall Hinode | Nishi Tama-gun, Tokyo Metropolis | March 20 | 160 | 29 (6) | 39 | 68 |
| Aeon Mall Yamato | Yamato City, Kanagawa Prefecture | March 20 | 90 | 5 (0) | 20 | 25 |
| Aeon Mall Fukuoka | Kasuya-gun, Fukuoka Prefecture | October 10 | 200 | 43(21) | 56 | 99 |
| Aeon Mall Suzuka | Suzuka City, Mie Prefecture | October 31 | 180 | 16(4) | 19 | 35 |
| Aeon Mall Okazaki | Okazaki City, Aichi Prefecture | November 7 | 170 | 34(12) | 66 | 100 |

* 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 | June | July | August | 2nd quarter | 1st Half | September | October | November | 3rd quarter | Total |
|---|--------|-------|--------|-------------|-------|--------|--------|-------------|----------|-----------|---------|----------|-------------|--------|
| Sales | 112.8% | 95.8% | 100.0% | 103.3% | 95.4% | 95.2% | 99.0% | 96.4% | 100.0% | 96.3% | 94.5% | 100.8% | 97.3% | 99.1% |
| No. of customers through checkout | 104.0% | 97.7% | 102.2% | 101.4% | 96.0% | 94.0% | 98.1% | 96.1% | 98.7% | 94.1% | 94.9% | 100.5% | 96.5% | 98.0% |
| Average customer Transaction | 108.5% | 98.1% | 97.9% | 101.9% | 99.4% | 101.3% | 100.9% | 100.5% | 101.3% | 102.3% | 99.5% | 100.3% | 100.8% | 101.1% |
| No. of holidays | ±0 | ±0 | +1 | +1 | -1 | ±0 | +1 | ±0 | +1 | -1 | ±0 | +2 | +1 | +2 |
| After adjustment for weekends/holidays | 112.8% | 95.8% | 98.6% | 102.8% | 97.0% | 95.2% | 97.0% | 96.5% | 99.6% | 99.4% | 94.5% | 96.0% | 96.6% | 98.6% |
| No. of cars parked | 102.0% | 97.6% | 100.3% | 100.1% | 97.0% | 95.7% | 99.6% | 97.5% | 98.7% | 95.9% | 96.4% | 99.8% | 97.5% | 98.3% |
| No. of visitors | 103.0% | 97.2% | 100.6% | 100.3% | 96.1% | 95.8% | 100.0% | 97.4% | 98.8% | 95.1% | 95.4% | 101.1% | 97.2% | 98.3% |

(Reference) Monthly Data in FY2013 (Existing 55 malls, on a year-on-year basis)

| Monthly | March | April | May | 1st quarter | June | July | August | 2nd quarter | 1st Half | September | October | November | 3rd quarter | December | January | February | 4th quarter | 2nd half | Total |
|---|--------|--------|--------|-------------|--------|--------|--------|-------------|----------|-----------|---------|----------|-------------|----------|---------|----------|-------------|----------|--------|
| Sales | 102.5% | 96.6% | 99.7% | 99.7% | 104.8% | 97.4% | 103.7% | 101.7% | 100.8% | 99.8% | 98.8% | 102.2% | 100.2% | 99.9% | 100.7% | 98.7% | 99.9% | 100.1% | 100.4% |
| No. of customers through checkout | 101.5% | 97.7% | 97.8% | 99.1% | 103.1% | 98.4% | 102.6% | 101.3% | 100.4% | 96.2% | 98.1% | 100.2% | 98.2% | 98.5% | 99.0% | 94.4% | 97.6% | 97.9% | 99.1% |
| Average customer Transaction | 101.0% | 98.9% | 102.0% | 100.6% | 101.6% | 99.0% | 101.1% | 100.4% | 100.4% | 103.7% | 100.7% | 102.1% | 102.2% | 101.4% | 101.8% | 104.6% | 102.4% | 102.3% | 101.3% |
| No. of holidays | +1 | -1 | ±0 | ±0 | +1 | -1 | +1 | +1 | +1 | ±0 | ±0 | +1 | +1 | -1 | ±0 | ±0 | -1 | ±0 | +1 |
| After adjustment for weekends/holidays | 100.0% | 99.2% | 99.7% | 99.7% | 102.2% | 101.0% | 102.0% | 101.4% | 100.6% | 99.8% | 98.8% | 99.7% | 99.4% | 102.5% | 100.7% | 98.7% | 100.8% | 100.1% | 100.3% |
| No. of cars parked | 102.1% | 99.8% | 98.6% | 100.4% | 103.0% | 99.6% | 101.4% | 101.2% | 100.8% | 97.1% | 100.0% | 98.9% | 98.6% | 98.7% | 98.4% | 95.6% | 98.4% | 98.5% | 99.6% |
| No. of visitors | 102.4% | 100.0% | 99.1% | 100.7% | 103.5% | 98.4% | 102.3% | 101.3% | 101.0% | 97.3% | 99.1% | 100.6% | 99.0% | 98.4% | 99.9% | 96.0% | 98.3% | 98.6% | 99.8% |

First Three Quarters FY2014 (March 1, 2014 – November 30, 2014) Review



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

| | March | April | May | 1st quarter | June | July | August | 2nd quarter | 1st Half | September | October | November | 3rd quarter | Total |
|---------------------------|--------|--------|--------|---------------|--------|-------|--------|--------------|----------|-----------|---------|----------|--------------|--------|
| All specialty stores | 112.8% | 95.8% | 100.0% | 103.3% | 95.4% | 95.2% | 99.0% | 96.4% | 100.0% | 96.3% | 94.5% | 100.8% | 97.3% | 99.1% |
| Large specialty stores | 128.3% | 90.5% | 95.8% | 105.4% | 94.5% | 96.7% | 97.6% | 96.3% | 100.8% | 94.3% | 91.2% | 102.0% | 95.9% | 99.3% |
| Apparel | 105.6% | 95.4% | 98.6% | 100.1% | 94.2% | 93.3% | 98.0% | 94.9% | 97.5% | 99.4% | 96.1% | 99.9% | 98.5% | 97.9% |
| Accessories | 125.5% | 92.2% | 94.5% | 105.2% | 90.3% | 95.3% | 100.3% | 95.3% | 100.3% | 93.7% | 92.5% | 104.3% | 96.8% | 99.2% |
| Miscellaneous goods | 118.3% | 94.0% | 97.2% | 104.1% | 95.0% | 97.6% | 99.8% | 97.5% | 100.9% | 96.1% | 96.5% | 101.7% | 98.2% | 100.0% |
| Drinking and eating | 104.0% | 99.8% | 103.6% | 102.5% | 96.8% | 96.9% | 100.8% | 98.4% | 100.4% | 95.0% | 96.4% | 104.2% | 98.5% | 99.8% |
| Amusement | 109.2% | 110.1% | 126.7% | 114.8% | 113.9% | 79.4% | 100.4% | 95.8% | 104.6% | 92.9% | 81.6% | 84.9% | 86.9% | 99.4% |
| Services | 107.1% | 96.0% | 98.6% | 100.8% | 97.7% | 98.9% | 94.9% | 97.2% | 98.8% | 94.6% | 92.5% | 96.3% | 94.5% | 97.5% |
| Specialty stores subtotal | 110.8% | 96.4% | 100.5% | 102.9% | 95.5% | 94.9% | 99.2% | 96.5% | 99.7% | 96.6% | 94.9% | 100.7% | 97.5% | 99.0% |

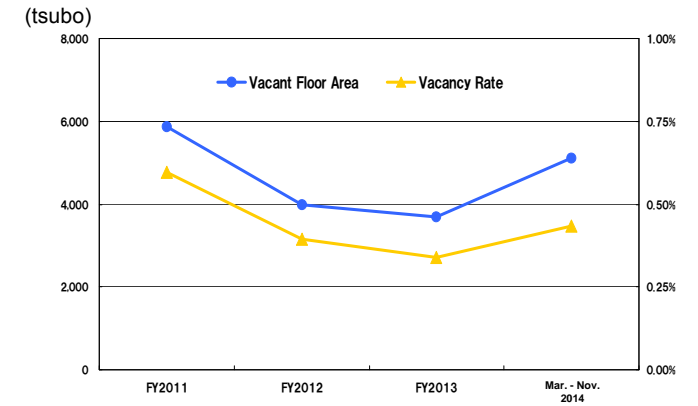
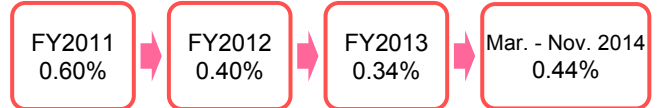
(Reference) Monthly Data in FY2013 (Existing 55 malls, on a year-on-year basis)

| | March | April | May | 1st quarter | June | July | August | 2nd quarter | 1st Half | September | October | November | 3rd quarter | December | January | February | 4th quarter | 2nd Half | Total |
|---------------------------|--------|--------|--------|---------------|--------|--------|--------|---------------|---------------|-----------|---------|----------|---------------|----------|---------|----------|---------------|---------------|---------------|
| All specialty stores | 102.5% | 96.6% | 99.7% | 99.7% | 104.8% | 97.4% | 103.7% | 101.7% | 100.8% | 99.8% | 98.8% | 102.2% | 100.2% | 99.9% | 100.7% | 98.7% | 99.9% | 100.1% | 100.4% |
| Large specialty stores | 96.3% | 91.2% | 96.1% | 94.5% | 104.7% | 92.8% | 101.5% | 99.3% | 96.9% | 96.2% | 101.1% | 101.4% | 99.6% | 98.5% | 103.0% | 109.0% | 102.5% | 101.2% | 99.0% |
| Apparel | 105.4% | 95.5% | 103.7% | 101.5% | 108.1% | 96.5% | 105.1% | 102.8% | 102.2% | 102.0% | 95.7% | 102.8% | 100.0% | 100.4% | 98.9% | 96.8% | 99.1% | 99.5% | 100.8% |
| Accessories | 105.1% | 98.0% | 102.4% | 101.9% | 105.0% | 95.6% | 104.0% | 101.4% | 101.6% | 100.8% | 98.3% | 103.3% | 100.8% | 98.9% | 100.7% | 99.7% | 99.7% | 100.2% | 100.9% |
| Miscellaneous goods | 102.0% | 94.9% | 99.2% | 98.8% | 103.0% | 95.9% | 101.9% | 100.1% | 99.5% | 99.0% | 98.4% | 100.8% | 99.4% | 100.2% | 100.7% | 99.7% | 100.2% | 99.9% | 99.7% |
| Drinking and eating | 101.8% | 99.3% | 100.0% | 100.4% | 105.5% | 99.2% | 104.2% | 102.9% | 101.7% | 100.0% | 101.2% | 102.7% | 100.7% | 100.7% | 100.9% | 96.3% | 99.6% | 100.1% | 100.9% |
| Amusement | 101.3% | 97.5% | 83.0% | 93.8% | 89.7% | 106.4% | 103.3% | 101.2% | 97.7% | 90.6% | 93.8% | 96.8% | 93.5% | 96.2% | 100.3% | 87.6% | 95.4% | 94.5% | 96.1% |
| Services | 102.0% | 102.2% | 102.7% | 102.3% | 105.6% | 102.4% | 104.6% | 104.1% | 103.3% | 105.2% | 106.3% | 105.0% | 105.5% | 104.7% | 107.9% | 98.1% | 103.6% | 104.5% | 103.9% |
| Specialty stores subtotal | 103.3% | 97.3% | 100.2% | 100.4% | 104.9% | 98.0% | 104.0% | 102.1% | 101.2% | 100.3% | 98.5% | 102.4% | 100.4% | 100.2% | 100.5% | 97.3% | 99.6% | 100.0% | 100.6% |

Changes in Vacancy Rate

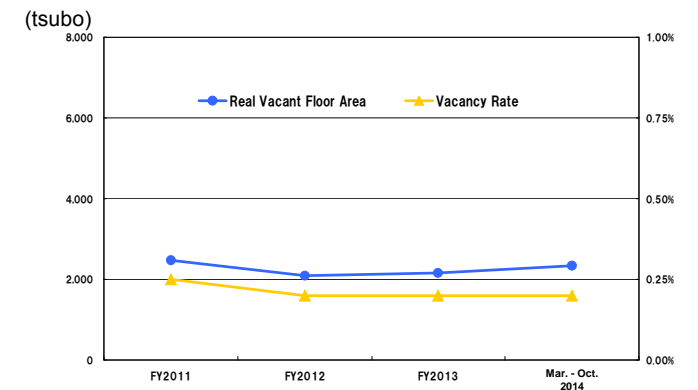
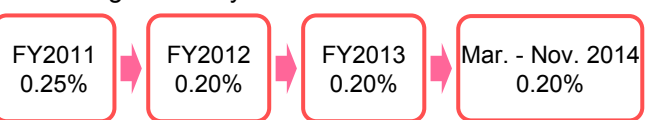
<Vacant Floor Area and Vacancy Rate>

◆ 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 Three Quarters FY2014 (March 1, 2014 – November 30, 2014) Review



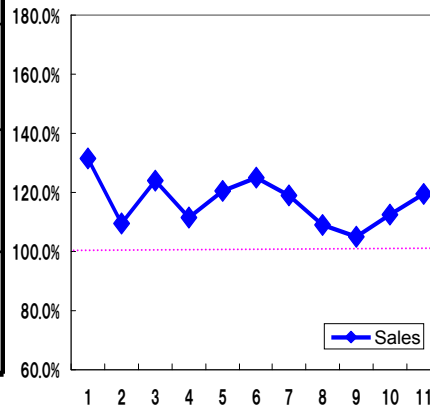
Business in China

Retail sales in China and year-on-year comparison of 3 existing malls

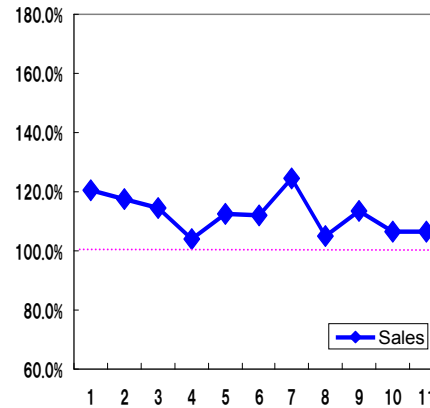
| | |
|-------------------------------------|----------------------|
| | Total of Jan. – Nov. |
| Retail sales in China *1 | 112.0% |
| Sales at Aeon Mall specialty stores | 118.1% |
| # of visitors to Aeon Malls | 121.2% |

< Changes in Sales at Specialty Stores in Existing Malls >

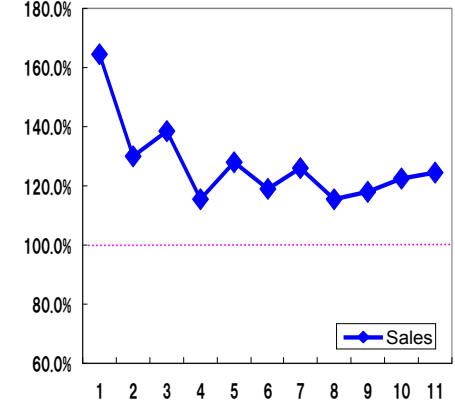
Aeon Mall Beijing International Mall



Aeon Mall Tianjin TEDA



Aeon Mall Tianjin Zhongbei



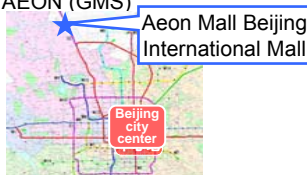
*1 Source: National Bureau of Statistics of People's Republic of China

Beijing

Aeon Mall Beijing International Mall



Location: No.1 Bei Qing Road
 Opening: November 7, 2008
 (Switched from a project management contract signed at the time of opening to a master lease in September 2011)
 Site area: 89,000 m²
 Total leasing area: 53,000 m²
 Parking: 3,000 cars
 Specialty stores: 100
 Anchor store: AEON (GMS)



Tianjin

Aeon Mall Tianjin TEDA



Location: No. 29 East Road, Tianjin Economic-Technological Development Area
 Opening: October 29, 2010
 Site area: 98,000 m²
 Total leasing area: 55,000 m²
 Parking: 2,500 cars
 Specialty stores: 130
 Anchor store: AEON (GMS)

Aeon Mall Tianjin Zhongbei



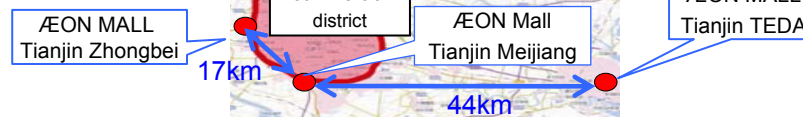
Location: No. 1 Fu Sheng Dao, Xi Qing Qu, Tianjin
 Opening: April 28, 2012
 Site area: 163,000 m²
 Total leasing area: 62,000 m²
 Parking: 3,700 cars
 Specialty stores: 150
 Anchor store: AEON (GMS)

Aeon Mall Tianjin Meijiang



Location: 111 You Yi Nan Lu, Tianjin Xiqing Economic Development Area, Xiqing, Tianjin, PRC
 Opening: January 3, 2014
 Site area: 75,300 m²
 Total leasing area: 63,400 m²
 Parking: 2,400 cars
 Specialty stores: 170
 Anchor store: AEON (GMS)

<Tianjin Area>



First Three Quarters FY2014 (March 1, 2014 – November 30, 2014) Review



Business in China

Aeon Mall Suzhou Wuzhong

- Location: 188 Yue Xi Su Zhen Tao Lu, Suzhou Wuzhong, Jiangsu
- Opening: Grand opening on April 25, 2014
- Site area: 114,000 m²
- Floor area: 154,600 m²
- Total leasing area: 75,000 m²
- Parking: 3,100 cars
- Specialty stores: 190
- Anchor store: AEON (GMS)



Features of the mall

- 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.

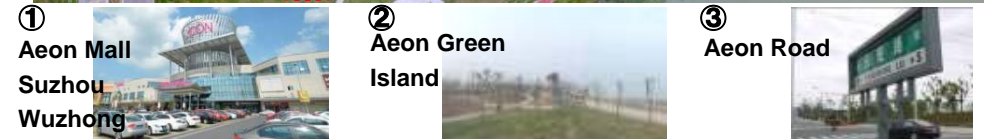
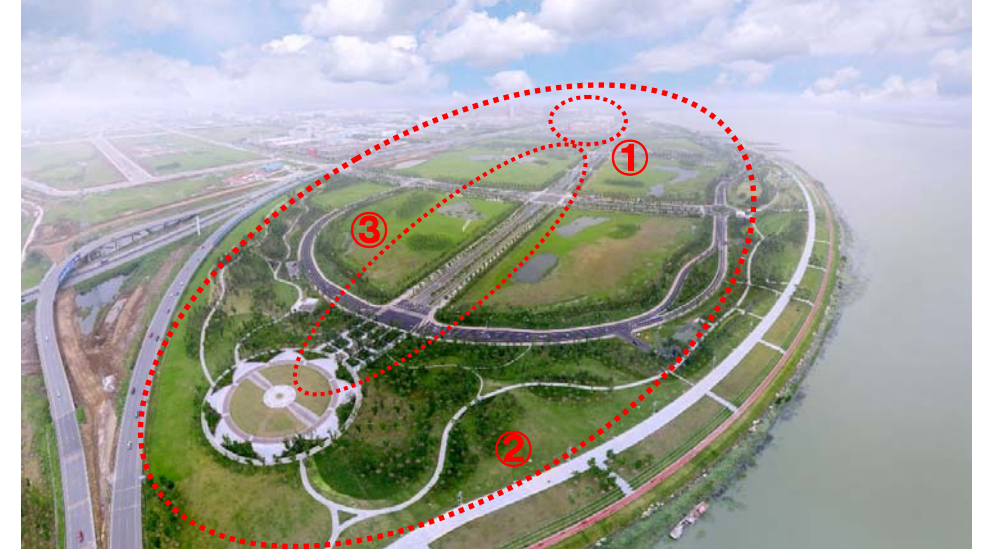
The environmentally friendly mall

The first Aeon Group building to be rated Two Stars

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



Wuzhong Economic Development Zone



- The mall is in the Wuzhong Economic Development Zone, a special economic zone established in the Wuzhong district in the south of Suzhou in 1993.
- The special economic zone was upgraded in 2012 to become a national economic zone, and comprehensive development, involving condominiums, schools, hospitals, and tourist facilities, is underway.
- 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.

< Aeon Green Island >
Aeon Green Island is situated in the Taihu New City area in the Wuzhong Economic Development Zone in Suzhou and has been developed as a model of new scenic cities in Taihu New City. A 1.1 million square meter area around the mall, which also includes the East Taihu Lake area, has commercial facilities, residential properties, and schools. The key words in the area are the environment and ecology. The area also includes a model zone of eco-friendly activities (over 0.7 million square meters) that has a scenic park, sightseeing roads, cycling roads, and facilities for leisure activities.

< Aeon Road >
Aeon Road is a 1.6 kilometer-long arterial road linking the Aeon mall, a residential area, and a scenic area. The road has been developed as a main street in Aeon Green Island.

Business in the ASEAN Region

ASEAN Business: 1st Aeon Mall opening in Cambodia

Aeon Mall Phnom Penh

- Location: #132, Street Sothearos, Sangkat Tonle Bassac Khan Chamkarmon, Phnom Penh (next to Paska River Sofitel Hotel)
- Opening:
Grand opening on June 30, 2014
- Site area: 68,000 m²
- Floor area: 108,000 m²
- Total leasing area: 66,000 m²
- Parking: 1,600 motorbikes, 1,400 cars
- Specialty stores: 190 stores
- Anchor store: AEON (GMS)



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)

Tenants of the world's leading brands are gathered in this mall. From Japan, Flaxus Tokyo of World Co., Ltd. joined, opening a large flagship store, and many brands from neighboring countries also opened stores. The popular global brand L'Occitane opened its first store in Cambodia.



◆ World Dining (2F)

The concept is a resort hotel. It is a food court with an island-type kitchen area placed at the center, offering the enjoyment of dining with live international cooking. There is a stage for holding piano concerts and other events.



◆ 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.



First Three Quarters FY2014 (March 1, 2014 – November 30, 2014) Review



Business in the ASEAN Region

ASEAN Business: 2nd Aeon Mall opening in Vietnam

Aeon Mall Binh Duong Canary

- Location: Canary Complex Area, No.13 Highway, Binh Hoa Ward, Thuan An town, Binh Duong province
- Scheduled opening: Grand opening on November 1, 2014
- Site area: 62,000 m²
- Floor area: 70,000 m²
- Total leasing area: 46,000 m²
- Parking: 6,000 motorbikes, 1,000 cars
- Specialty stores: 150
- Anchor store: AEON (GMS)



The location

- Binh Duong Province is located approx. 15 km north of the center of Ho Chi Minh City, the largest commercial city in Vietnam. The province has been modernizing itself by actively inviting companies from outside the country and developing industrial parks. New communities have been built in recent years through the development of Binh Duong New City, making Binh Duong one of the most rapidly growing cities in Vietnam.
- This mall is adjacent to Vietnam-Singapore Industrial Park (VSIP), developed by the governments of Vietnam and Singapore. The Canary Complex Area, in which the mall is located, is expected to see further population growth through "comprehensive community building" as a high-end housing area based on a development plan for complex facilities including houses, international schools, hotels, and offices.

< Mall Openings in the Suburbs of Ho Chi Minh City >

Mall-opening Scheme

Aeon Mall Binh Duong Canary is managed and operated by Aeon Mall Binh Duong Co, Ltd. (Aeon Mall Vietnam), a wholly-owned subsidiary of the Company, via a master lease license, the first acquired by a Japanese company in Vietnam, and a master lease agreement, signed with Aeon Vietnam.



Features of the mall

- A total of 150 stores including 40 stores with Japanese tenants and 18 stores of tenants opening their first stores in Vietnam
- Vietnam's largest dining zone with at least 60 stores offering different cuisines from around the world
- Different events take place each week at the three event courts in the mall.



◆ Trend Fashion Zone (Ground Floor)

Tenants such as F.O.S from Malaysia and Giordano from Hong Kong, and local Vietnamese brands, such as Labella, targeting working women and popular teen brands The Blues and Canifa have opened stores. An Onward Kashiya brand, Rosebullet Edit Tokyo, opened its first store in Vietnam.



* This photo is for illustrative purposes only.

◆ Kids' Zone (1st Floor)

Interactive amusement facilities for children, Playtime, which is popular in Korea, has opened one of its largest play areas in the region. It is surrounded by tenants offering children's fashion, furniture, bedding, and toy products that comprise this very large Kids' Zone.



◆ Amusement Zone (1st Floor)

Dream Games has opened one of the largest game centers and bowling alleys in this mall as an entertainment area that can be enjoyed by families.



◆ International Restaurant and Food Court (2nd Floor)

One of the largest food courts in the region, it is decorated in a Japanese style. A total of 18 tenants, including various Japanese restaurants and locally popular Vietnamese restaurants, operate in this area.



◆ Cinema Complex (2nd Floor)

CGV Cinemas, Korea's largest cinema chain, operates one of the largest theaters in the region.



◆ Japan Zone (Ground Floor)

Japan Selection offers a variety of the latest fashion products and sundries and the food section has collected an array of "B-grade (affordable) gourmet" products from Japan. All of the food, clothing, and household products in this section are Japanese brands.

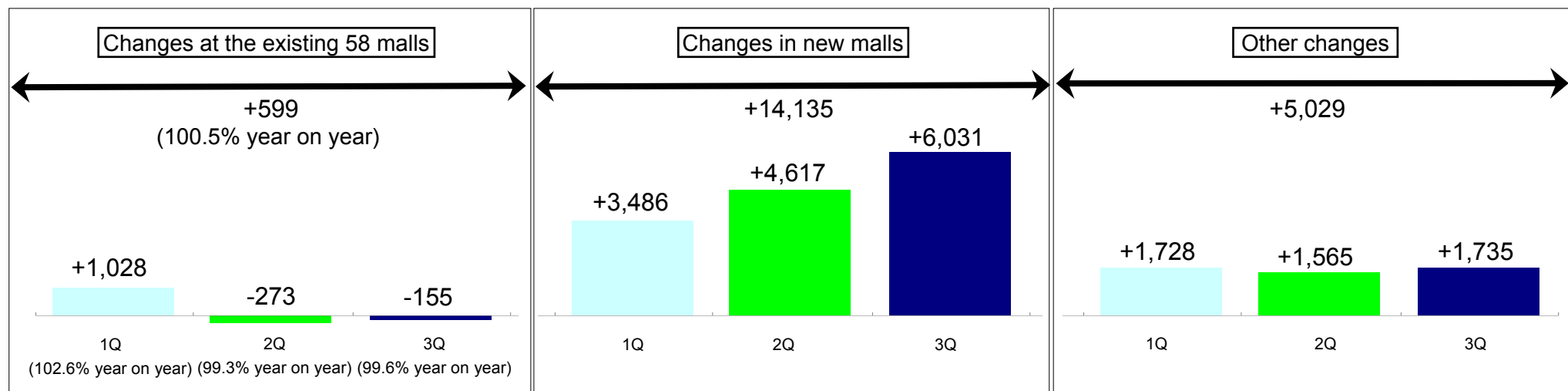
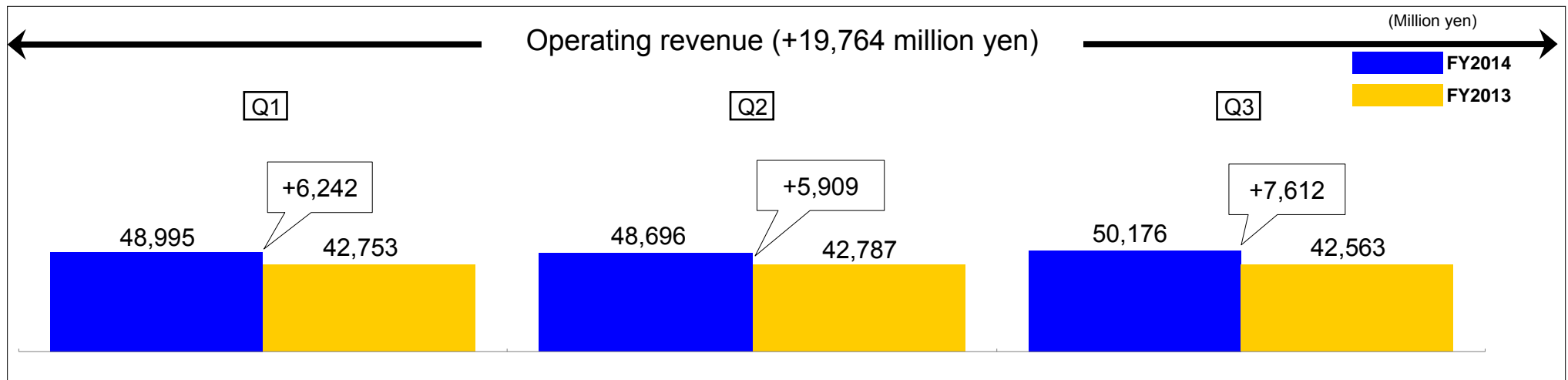


First Three Quarters FY2014 (March 1, 2014 – November 30, 2014) Details of Changes in Profit and Loss



Operating revenue

- Revenues increased through a series of new mall openings.
- Sales at specialty stores in the existing 58 malls were slightly lower than those in the previous year due to a year-on-year decline in sales during Q2 and Q3 (103.3% for Q1, 96.4% for Q2, and 97.3% for Q3, totaling 99.1%).

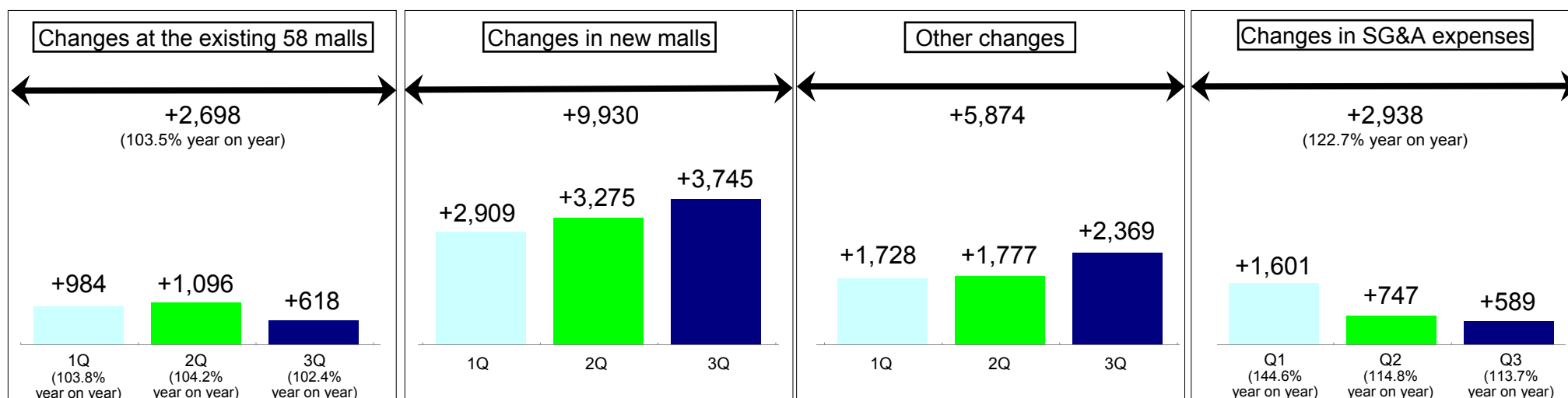
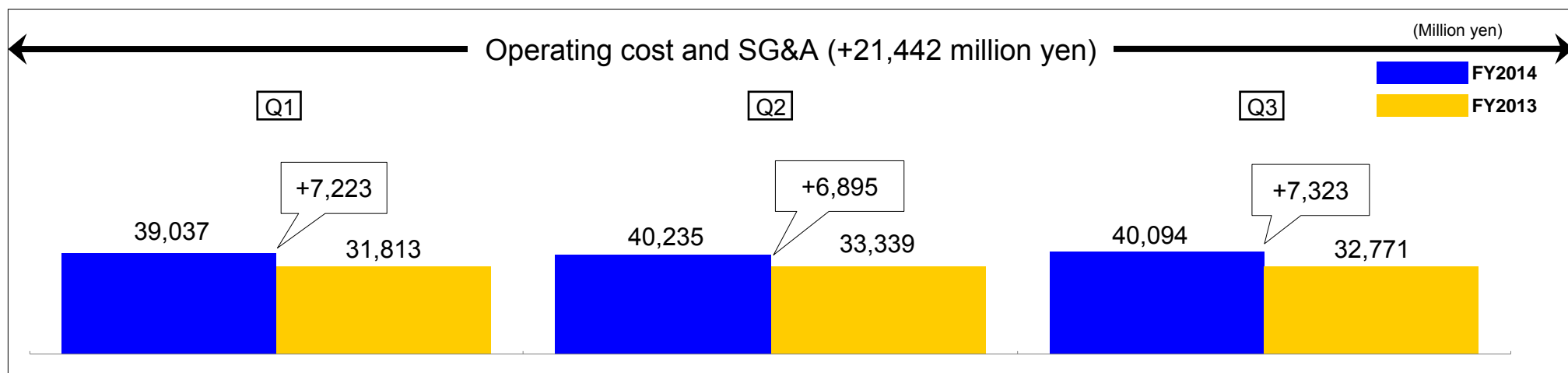


First Three Quarters FY2014 (March 1, 2014 – November 30, 2014) Details of Changes in Profit and Loss



Operating Cost and Selling, General, and Administrative (SG&A) Expenses

- Operating cost increased through a series of new mall openings
- The existing 58 malls reduced cost more in Q3 than in Q2. The increased cost caused by the sale of six malls to REIT and leasing them back in November last year will be eliminated, and cost is thus expected to be further reduced in Q4.
- SG&A expenses have been reduced since Q2.

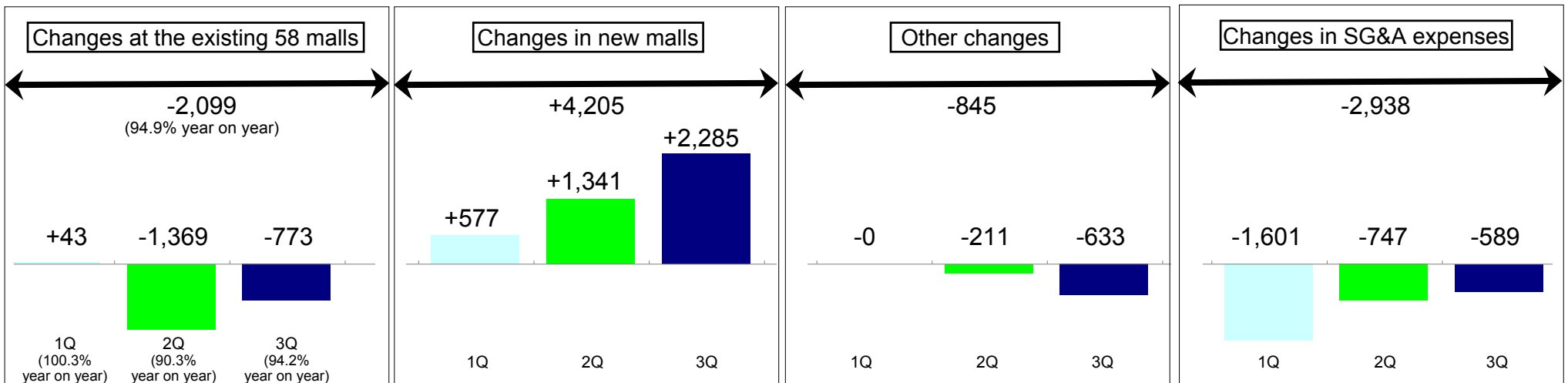
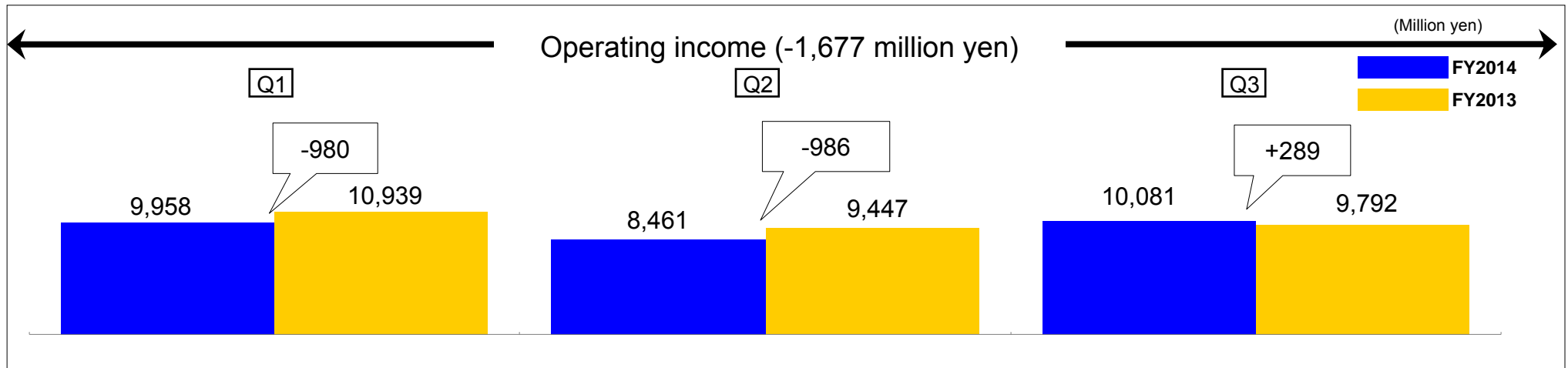


First Three Quarters FY2014 (March 1, 2014 – November 30, 2014) Details of Changes in Profit and Loss



Operating income

- While the new mall openings helped increase profit in the cumulative total of the three quarters of FY2014, a temporary cost increase at the existing 58 malls and increased SG&A expenses for improving head office functions both in and outside Japan caused the operating income to be 94.4% of that in the previous year (a decrease of 1,677 million yen).
- Operating income increased in the three months of Q3.



First Three Quarters FY2014 (March 1, 2014 – November 30, 2014) Summary of Income Statement



| Consolidated (¥ million) | FY2014–3Q | Ratio | FY2013–3Q | Ratio | YoY Growth | Change | Comments |
|-----------------------------------|----------------|---------------|----------------|---------------|---------------|----------------|---|
| Operating Revenue | 147,868 | 100.0% | 128,103 | 100.0% | 115.4% | 19,764 | - Twelve newly operated malls in Japan +¥14,135 million - Increase at 58 existing malls +¥599 million - Others +¥5,029 million |
| Operating costs | 103,494 | 70.0% | 84,990 | 66.1% | 121.8% | 18,504 | - Twelve newly operated malls in Japan +¥9,930 million - Increase at 58 existing malls +¥2,698 million - Others +¥5,874 million |
| Gross profit | 44,374 | 30.0% | 43,113 | 33.9% | 102.9% | 1,260 | - Twelve newly operated malls +¥4,205 million - 58 existing malls -¥2,099 million - Others -¥845 million |
| SG&A expenses | 15,872 | 10.7% | 12,933 | 10.1% | 122.7% | 2,938 | - Enhancement of structures, with an eye on business expansion in Japan and overseas 1Q year on year +¥1,601 million 2Q year on year +¥747 million 3Q year on year +¥589 million |
| Operating income | 28,501 | 19.3% | 30,179 | 23.8% | 94.4% | (1,677) | |
| Non-operating profits | 1,570 | 1.1% | 1,498 | 0.9% | 104.8% | 71 | - Contract cancellation fee received from tenants closing stores +¥189 million - Interest income -¥100 million |
| Non-operating expenses | 2,049 | 1.4% | 2,063 | 1.7% | 99.3% | (14) | - Interest expenses -¥112 million |
| Ordinary income | 28,023 | 19.0% | 29,614 | 23.0% | 94.6% | (1,591) | |
| Extraordinary gains | 199 | 0.1% | 6,993 | 0.0% | 2.9% | (6,793) | - Gain on sales of noncurrent assets ¥6,993 million (previous term) } Gain/loss on sale of assets to REIT Net gain of ¥1,271 million |
| Extraordinary losses | 340 | 0.2% | 6,803 | 0.4% | 5.0% | (6,462) | - Loss on sales of noncurrent assets ¥5,722 million (previous term) } |
| Income before income taxes | 27,882 | 18.9% | 29,805 | 22.6% | 93.5% | (1,922) | |
| Income taxes | 12,085 | 10.7% | 12,097 | 9.4% | 99.9% | (11) | |
| Minority interests | (139) | (0.1%) | 84 | 0.0% | - | (223) | |
| Net income | 15,936 | 10.8% | 17,624 | 13.2% | 90.4% | (1,687) | |

* Twelve newly operated malls (FY2013: Five malls, FY2014: Seven malls)

First Three Quarters FY2014 (March 1, 2014 – November 30, 2014) Summary of Balance Sheets



| Consolidated (¥ million) | | 3Q of FY2014 | FY2013 | Change | Comments |
|---|--|----------------|----------------|----------------|---|
| Cash and deposits | | 55,772 | 47,566 | 8,205 | |
| Deposits to associated companies | | 8,500 | 17,000 | (8,500) | - AEON Group's surplus fund management |
| Other current assets | | 37,380 | 25,466 | 11,913 | |
| Current assets | | 101,652 | 90,033 | 11,618 | |
| Property, plant and equipment | | 691,084 | 557,559 | 133,524 | - Acquisition of property, plant and equipment +¥161,619 million - Depreciation of property, plant and equipment -¥19,451 million among others |
| Intangible assets | | 3,674 | 3,570 | 104 | |
| Investments and other assets | | 98,890 | 108,081 | (9,190) | - Sale of the right to claim the return of guarantee deposits -¥7,890 million - Collection of guarantee deposits -¥4,299 million |
| Fixed assets | | 793,650 | 669,211 | 124,438 | |
| Total assets | | 895,302 | 759,245 | 136,057 | |
| Income taxes payable | | 3,353 | 17,782 | (14,428) | |
| Deposits received from specialty stores | | 65,221 | 24,903 | 40,318 | - Delay in the return of deposits planned at the end of the quarter under review (from November 30 to December 1) +¥19,570 million |
| Notes payable - construction | | 55,083 | 39,745 | 15,337 | - Outstanding notes payable - construction and accounts payable - construction for new malls in Japan opened in FY2013 and FY2014 |
| Accounts payable - construction | | 59,413 | 41,117 | 18,295 | |
| Other current liabilities | | 57,486 | 60,821 | (3,334) | - Current portion of long-term debt +¥13,745 million - Current portion of bonds -¥23,000 million |
| Current liabilities | | 240,558 | 184,370 | 56,187 | |
| Long-term liabilities | | 339,201 | 276,348 | 62,853 | - Straight bonds +¥40,000 million - Long-term debt +¥12,598 million - Lease deposits from lessees +8,771 million |
| Total liabilities | | 579,759 | 460,718 | 119,041 | |
| Total equity | | 315,542 | 298,526 | 17,016 | |
| Equity ratio | | 34.7% | 38.9% | (4.2%) | |

| | | | |
|--|---------|---------|--------|
| Interest-bearing debt | 233,709 | 190,366 | 43,343 |
| Ratio of interest-bearing debt to assets | 26.1% | 25.1% | 1.0% |
| Debt-to-equity ratio (times) | 0.75 | 0.65 | 0.10 |

[Change in interest-bearing debt]

| | 3Q of FY2014 | FY2013 | Change |
|-----------------------------------|----------------|----------------|---------------|
| Bonds due within one year | - | 23,000 | (23,000) |
| Current portion of long-term debt | 24,311 | 10,566 | 13,745 |
| Straight bonds | 65,200 | 25,200 | 40,000 |
| Long-term debt | 144,197 | 131,599 | 12,598 |
| TOTAL | 233,709 | 190,366 | 43,343 |

First Three Quarters FY2014 (March 1, 2014 – November 30, 2014) Summary of Cash Flows



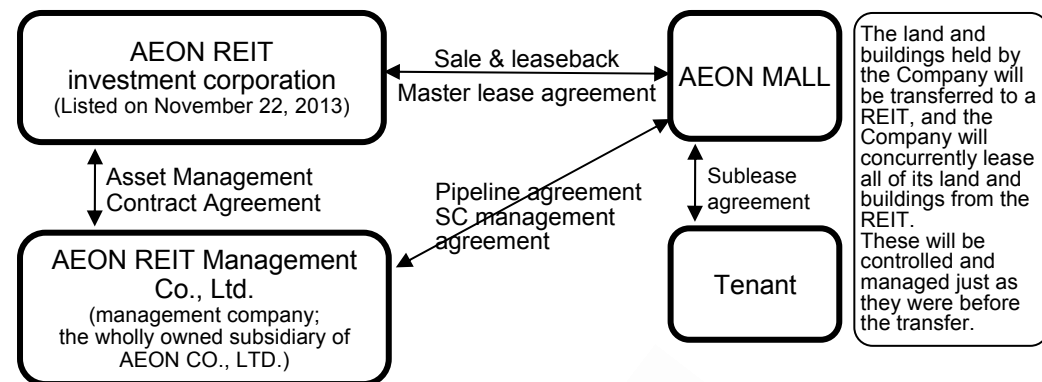
| Consolidated (¥ million) | 3Q of FY2014 | 3Q of FY2013 | Change | Comments |
|--|------------------|-----------------|-----------------|---|
| Cash flows from operating activities | 68,837 | 57,507 | 11,329 | [Year-on-year change in amount] - Decline in sales money deposited by specialty stores +¥22,405 million - Income taxes paid -¥15,465 million among others |
| Cash flows from investing activities | (102,766) | (27,154) | (75,611) | - Purchase of property, plant and equipment -¥136,764 million - Purchase of long-term prepaid expenses (the right to use the land overseas, etc.) -¥768 million * Capital investment ¥137,533 million - Gain on sale of the right to claim the return of guarantee deposits +¥8,077 million - Proceeds from collection of guarantee deposits +¥4,677 million - Net increase in guarantee deposits +¥8,663 million among others |
| Cash flows from financing activities | 35,390 | 26,380 | 9,010 | - Proceeds from long-term debt +¥31,461 million - Repayments of long-term debt -¥8,931 million - Proceeds from issue of bonds +¥40,000 million - Loss on bond retirement -¥23,000 million - Dividends paid -¥5,012 million among others |
| Cash and cash equivalents at year-end | 61,641 | 98,539 | (36,898) | |

Use of REIT as a Growth Tool



From time to time some land and buildings owned by the Company will be transferred to a REIT, and the Company will concurrently lease back the land and buildings it sells to the REIT.

Lease payments from the Company to REIT are fixed under a 20-year contract. REIT allows Aeon to ensure stable earnings and receive the upper side of earnings through operation.



Concept of capital recycling for growth

While the transfer of existing property to REIT eliminates the unrealized profit in the market valuation of the leased property, new cash flow and unrealized profit can be created by leasing the property back simultaneously with the transfer to receive non-asset profit and reinvest the collected funds in the next new malls.

- (1) Sell malls to REIT
- Simultaneous lease-back to receive non-asset profit
- While the sale of assets owned by Aeon eliminates the unrealized profit in the market valuation of the leased property, non-asset cash flow will be maintained.

Transfer amount: 646 (¥1.2 billion in gains on sales)

* Total of 6 properties

| | Before Transfer | After Transfer | Difference | |
|---|-----------------|----------------|------------|--------------------------------|
| Book Value | 633 | - | - | |
| Operating revenue | 200 | 200 | - | |
| Operating expenses (Depreciation expenses) | 100 | 118 | 18 | |
| | 27 | - | (27) | |
| (ML cost) | - | 45 | 45 | |
| Operating Income | 100 | 82 | (18) | |
| Interest paid | 10 | (10) | (10) | |
| Ordinary Income | 90 | 82 | (8) | Non-asset profit is maintained |
| EBITDA | 127 | 82 | (45) | |
| EBITDA / Investment | 19.5% | NA | | |

* Prepared by taking into account the effect when properties valued at ¥64.6 billion were transferred to Aeon REIT Investment Corporation in Nov. 2013.

* EBITDA / investment before transfer used the book value rather than the initial investment.

- (2) Unrealized profit from leased property is lost.

| | Before Transfer | After Transfer | Difference | |
|-----------------------------|-----------------|----------------|------------|---|
| Book Value | 633 | - | - | |
| Market price (market value) | 1,400 | NA | - | Unrealized profit in the market valuation of leased property is lost. |
| Unrealized profit | 767 | NA | - | |

- (3) Market price added to non-asset cash flow

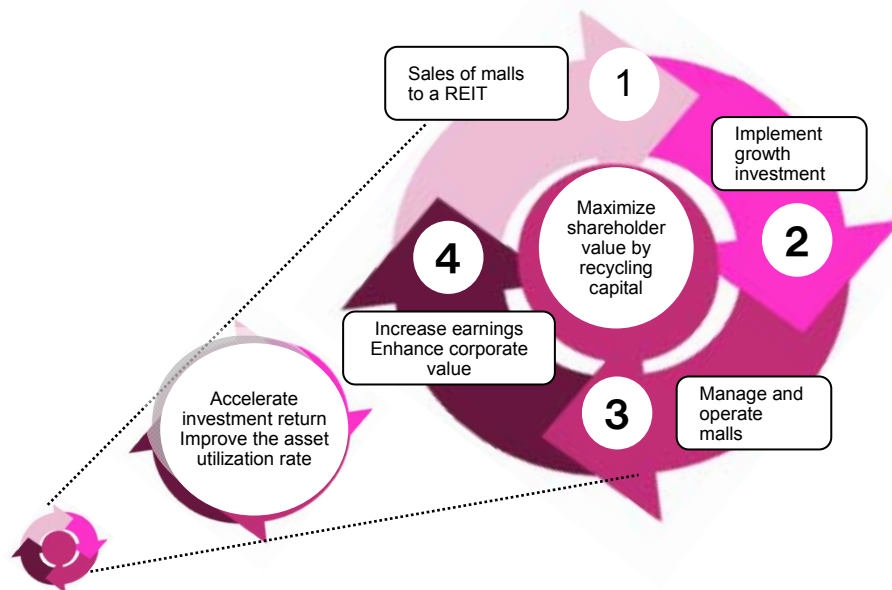
| | Before Transfer | After Transfer | Difference | |
|-----------------------------|-----------------|----------------|------------|--|
| Book Value | 633 | - | - | |
| Market price (market value) | 1,400 | 903 | (497) | Non-asset market value not recorded in the market valuation of leased property |
| Unrealized profit | 767 | 903 | 136 | |

* In addition to the recovery of initial costs, non-asset cash flow of 8.2 billion yen can be received, which allows the maintenance of unrealized profit in real terms.

- (4) Reinvest funds (¥64.6 billion) gained from sales

- Although there will be a time lag, new cash flow and unrealized profit can be created by reinvesting the funds gained from sales.

* Aeon's standards for investment profitability are 13% in the third year of an investment, and a simple calculation suggests a new EBITDA of 8.3 billion yen created by reinvestment. Every effort will be made to achieve this goal.



Sustainable growth utilizing a REIT and the establishment of a strong financial base

2. Planned Projects (Fourth Quarter of FY2014)

Activities Planned for Q4 of FY2014



New Business Bases in Japan

Aeon Mall Okayama

- Location: 1 Shimoishii, Kita-ku, Okayama City, Okayama Prefecture
- Scheduled opening: December 5, 2014
- Site area: 46,000 m²
- Floor area: 250,000 m²
- Total leasing area: 92,000 m²
- Parking: 2,500 cars
- Specialty stores: 356



Shopping mall concept

haremachi

A town that shapes our future

Features of the mall

- Flagship mall in western Japan located in front of Okayama Station, one of the key transportation hubs in the Chugoku and Shikoku area and a cross point of "people, culture, and information."
- Consists of 356 specialty stores, including 238 stores of tenants opening their first store in Okayama Prefecture and 65 stores of local companies. Houses one of the largest fashion centers in the Chugoku and Shikoku area and many flagship stores of major local companies.
- Takashimaya Food Maison Okayama operated by Takashimaya Group has been opened. One of the largest food product areas in the Chugoku and Shikoku regions covering approx. 7,400 m² with Aeon (Okayama) is in operation.
- Aims to develop a center of the serious creation and promotion of culture with Okayama Mirai Hall, which creates and promotes Okayama culture, and haremachi Special Zone 365, which provides opportunities to experience manufacturing that is unique to Okayama.
- First commercial facility in Japan to install wide-area communications. Allows the dissemination of information on the facilities and local communities through various media using a TV studio in the mall and approx. 50 sets of digital signage.

7F
|
5F

< haremachi Garden >



An outdoor oasis space with a terraced garden in an open area as the second ground floor from the fifth to seventh floors

< Okayama Mirai Hall >



A full-scale, theater-style multipurpose hall housing a stage and 600 movable audience seats. Available for music events, conventions, and various other purposes.

< haremachi Special Zone 365 >



An area of outlets providing opportunities to experience manufacturing that is unique to Okayama. Booths of approx. 70 local brands present the creation and promotion of new local culture through communication with makers and users.

< haremachi Diner 6&7 >



One of the largest restaurant streets in the Chugoku and Shikoku regions, with 39 restaurants.

< OHK Machinaka Studio <Mirun> >

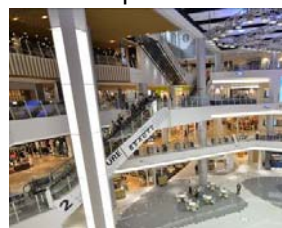


Accompanied by the main studio of a local TV station, OHK Okayama

Broadcasting. News and information programs are broadcast every day, and live broadcasting is available to visitors at all times.

4F
|
1F

< Mirai Square >



A large atrium from the first to fourth floors. Able to accommodate approx. 2,000 people for an event. 440 meter-long circuit malls are located on the four-layer floors.

< haremachi Kitchen >



An adult-taste food court with approx. 800 seats and 13 restaurants

< Takashimaya Food Maison >



Takashimaya's food product area has been created to offer more accessible enjoyment of department stores.

B2F

< haremachi Gate >



Consisting of 13 stores. Welcome Gate is directly connected to JR Okayama Station through the Okayama Station south underpass.

Activities Planned for Q4 of FY2014



Business in China: New Mall

1st Mall in Hubei Province

Aeon Mall Wuhan Jinyintan

- Location: Dongxihu District, Wuhan City, Hubei Province
- Scheduled opening: December 19, 2014
- Site area: 88,000 m²
- Floor area: 182,000 m²
- Total leasing area: 74,000 m²
- Parking: 2,900 cars
- Specialty stores: 200
- Anchor store: AEON (GMS)



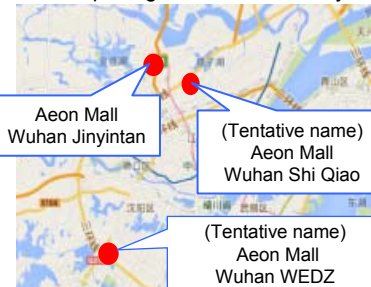
Features of the mall

- The new mall is located in Dongxihu District, northwest of the center of Wuhan, a central city in the Middle China region going through rapid economic growth with well-developed subways and rapid transit railways and three Development Zones.
- The area is adjacent to the eastern side of Wuhan Economic & Technological Development Zone, which is designated as a national level development zone where the population is increasing rapidly. Many foreign-based companies operate in the surrounding areas.
- The mall is adjacent to Jinyintan Station, the first station on Subway Line 2, and easily accessible from a major ring road (3rd Ring Road) in the city, and visitors from a wide area can be expected.
- A gourmet food section is placed on each floor and matches each theme, comprising a total of 15,000 m² of a “food” world that is one of the largest among Aeon Malls in China.
- Employee training for customer service and a commendation program for outstanding employees have been implemented for employees to provide customers with thoughtful, Japanese style services and hospitality full of smiles.
- Approx. 200 specialty stores, including 27 stores that belong to businesses opening their first store in Wuhan, such as Flaxus Tokyo and E-hyphen World Gallery, which are opening their first store in Wuhan, and other popular Japanese brands, operate in the mall.

Mall development in Hubei Province

The Company is carrying out development based on the cooperation agreement signed with the Wuhan City People's Government in 2011, which requires the development of shopping malls at five or more locations in Wuhan City in five years. The Company has determined the opening of two malls in addition to this mall and started construction.

< Mall Opening Plan in Wuhan City >



◆ International Fashion Zone (1st Floor)

Japanese brands such as Flaxus Tokyo and E-hyphen World Gallery opened their first store in Wuhan. Chinese fast fashion brand MJ Style, widely popular brand La Chapella, and other popular fashion brands in China operate stores in this area.



◆ Home, Fashion, and Variety Sundry Zone (2nd Floor)

Home, fashion, and sundry store Nitori is opening one of its largest stores covering an area of 4,500 m² in Wuhan. Popular variety sundry stores Daiso and Hotwind are also opening one of their largest stores to offer new lifestyles.



◆ World Casual Restaurant Zone (1st Floor)

The area offers Japanese, Italian, Asian cuisine, and global fast food. In addition to Yoshinoya and Sanuki Udon Hanamaru opening their first store in Wuhan, Italian restaurant Maiyongli and Thai restaurant Hailehui also opened their first store in Wuhan. The food area consists of 16 popular local stores.

◆ China Gourmet Zone (2nd Floor)

The area is crowded with 19 restaurants offering the flavors of various Chinese regions in one place. Fire pot restaurant Xiaoyuanyang (Little Duck) and many other popular restaurants are opening in the mall their first restaurants in Wuhan. Chinese restaurants serving a variety of flavors from all over China are gathered in one place.



◆ Children's Specialty Stores (3rd Floor)

The Kids' Zone surrounds a large specialty store for children's products Kidswant and other tenants in the area of approx. 8,000 m². In the mall, Hao, which offers a variety of general merchandise and Japanese fashion products for children, operates one of its largest stores.

◆ Food Court “Acacia” (3rd Floor)

Acacia, the largest food court in Wuhan covering an area of 1,900 m², is filled with 17 tenants offering various food products from Southeast Asian cuisine to Western food.



3. Planned Projects (In and after FY2015)

In Japan: Response to Trends in the Construction Industry

- Growing demand for construction
 - Demand for reconstruction in the Tohoku region
 - Increase in public works as economic measures
 - Facility development for the Tokyo Olympics, etc.
- Substantial decrease in skilled workers in the construction industry
 - 3,380,000 workers in 2013, a decrease of 1,170,000 workers (26%) since the peak in 1997

Increase in construction expenses due to the rising cost of materials and labor caused by unmatched demand and supply

✓ New malls opening in FY2014 and the first half of FY2015: Opened as planned

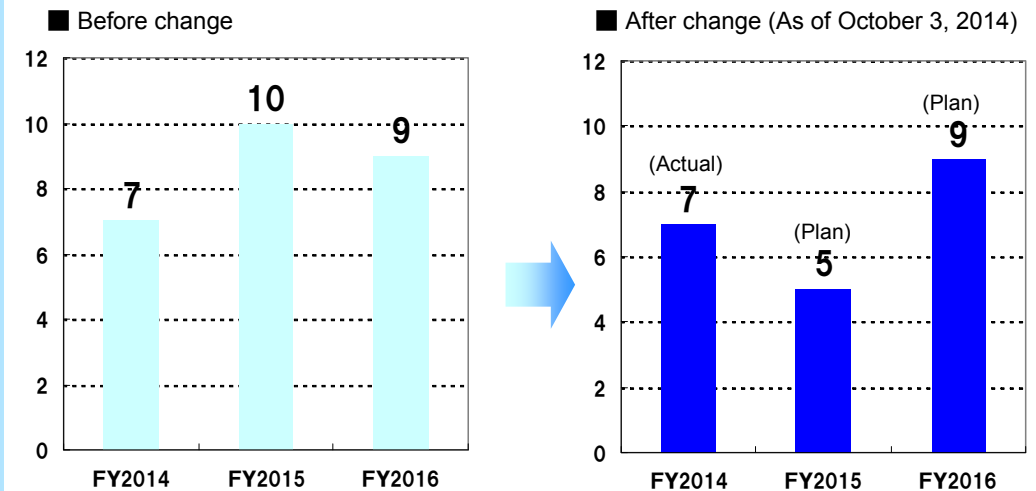
✓ New malls opening from the second half of FY2015:

Changing the year of mall opening

New opening postponed due to the extended construction period caused by worker shortages in the construction industry

✓ The increase in construction expenses will be partly offset by reviewing building plans, modifying designs and rationalizing construction schedules, etc.

< Number of New Business Site Openings in Japan >



Increase New Business Sites in Japan



List of planned new mall openings that have been disclosed

| | Shopping malls | Location | Scheduled opening date | Site area | Gross leasing area | Parking |
|--------------------|--|--|------------------------|--|--|------------------|
| FY2014 (Actual) | Aeon Mall Wakayama | Wakayama, Wakayama Pref. | March 16, 2014 | 155,000 m ² | 69,000 m ² | 3,500 cars |
| | Aeon Mall Tendo | Tendo, Yamagata Pref. | March 21, 2014 | 140,000 m ² (incl. approx. 46,000 m ² of outside mall area) | 47,000 m ² (mall bldg.) | 3,000 cars |
| | Aeon Mall Nagoya Chaya | Nagoya, Aichi Pref. | June 27, 2014 | 186,000 m ² | 75,000 m ² | 4,100 cars |
| | Aeon Mall Kyoto Katsuragawa | Kyoto, Kyoto Pref. Muko, Kyoto Pref. | October 17, 2014 | 92,000 m ² | 77,000 m ² | 3,100 cars |
| | Aeon Mall Kisarazu | Kisarazu, Chiba Pref. | October 18, 2014 | 283,500 m ² | 84,000 m ² | 4,000 cars |
| | Aeon Mall Tamadaira-No-Mori | Hino, Tokyo | November 20, 2014 | 30,900 m ² | 24,000 m ² | 980 cars |
| | Aeon Mall Okayama | Okayama, Okayama Pref. | December 5, 2014 | 46,000 m ² | 92,000 m ² | 2,500 cars |
| FY2015 (Plan) | Aeon Mall Asahikawa Ekimae | Asahikawa, Hokkaido | Spring of 2015 | About 28,300 m ² (incl. approx. 9,800 m ² under the railway line) | About 19,000 m ² * Retail area | About 900 cars |
| | Aeon Mall Okinawa Rycom | Kitanakagusuku, Nakagami-gun, Okinawa Pref. | Spring of 2015 | About 175,000 m ² | About 78,000 m ² | About 4,000 cars |
| | Aeon Mall Shijonawate | Shijonawate, Osaka Neyagawa, Osaka | Autumn of 2015 | About 159,000 m ² | About 79,000 m ² | About 4,100 cars |
| | Aeon Mall Tokoname | Tokoname, Aichi Pref. | Autumn of 2015 | About 202,000 m ² | About 65,000 m ² | About 4,400 cars |
| | Aeon Mall Tonami (tentative) | Tonami, Toyama Pref. | FY2015 | Undisclosed | Undisclosed | Undisclosed |
| FY2016 (Plan) | Aeon Mall Imabari Shintoshi (tentative) | Imabari, Ehime Pref. | Spring of 2016 | About 122,000 m ² | About 53,000 m ² | About 2,900 cars |
| | Aeon Mall Higashimatsumoto (tentative) | Matsumoto, Nagano Pref. | Autumn of 2016 | About 62,500 m ² | Undisclosed | Undisclosed |
| | Aeon Mall Takasaki Ekimae (tentative) | Takasaki, Gunma Pref. | FY2016 | About 7,400 m ² | Undisclosed | Undisclosed |
| | Six other malls (areas to open malls: Tohoku, Hokuriku, Chugoku, Kinki, and Shikoku regions) | | | | | |
| FY2017 | Aeon Mall Ageo (tentative) | Ageo, Saitama Pref. | Spring of 2017 | About 71,800 m ² | Undisclosed | Undisclosed |
| FY2018 | Aeon Mall Hiratsuka (tentative) | Hiratsuka, Kanagawa Pref. | FY2018 | About 126,000 m ² | Undisclosed | Undisclosed |

* Only new malls already announced are included above.



Revitalization of Existing Malls (Renewal Development)

We are implementing large-scale revitalization (renewal) of existing shopping malls and increasing their appeal and freshness to improve their earning power.

| FY2014 (Actual) |
|-----------------|
| 8 malls |

| FY2015 (Plan) | FY2016 (Plan) |
|---------------|---------------|
| 12 malls | 18 malls |

[Reference]

Aeon Retail Co., Ltd.'s 69 malls managed and operated by the Company

| FY2014 (Actual) | FY2015 (Plan) | FY2016 (Plan) |
|-----------------|---------------|---------------|
| 17 malls | 20 malls | 14 malls |

< Large Revitalization Projects >

Revitalization opening of Aeon Mall Hanyu on Nov. 29, 2013

- Out of a total of 210 stores, 54 new stores opened and 91 stores were relocated or renovated. => 70% renewal of the entire mall
- Growth of sales at specialty stores one year after the opening following revitalization: 108.0% (from Dec. 2013 to Nov. 2014)



Renovation of food court dining area and replacement of retail stores



Replacement and renovation of specialty stores



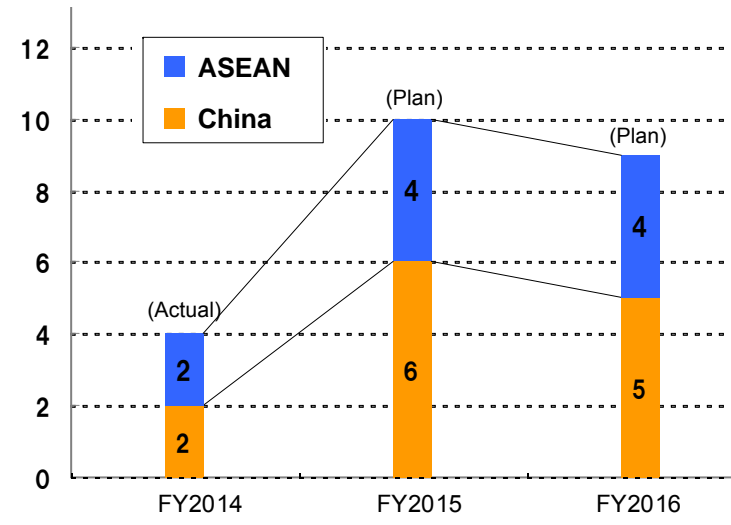
Responses to customers' needs (expansion of children's space)

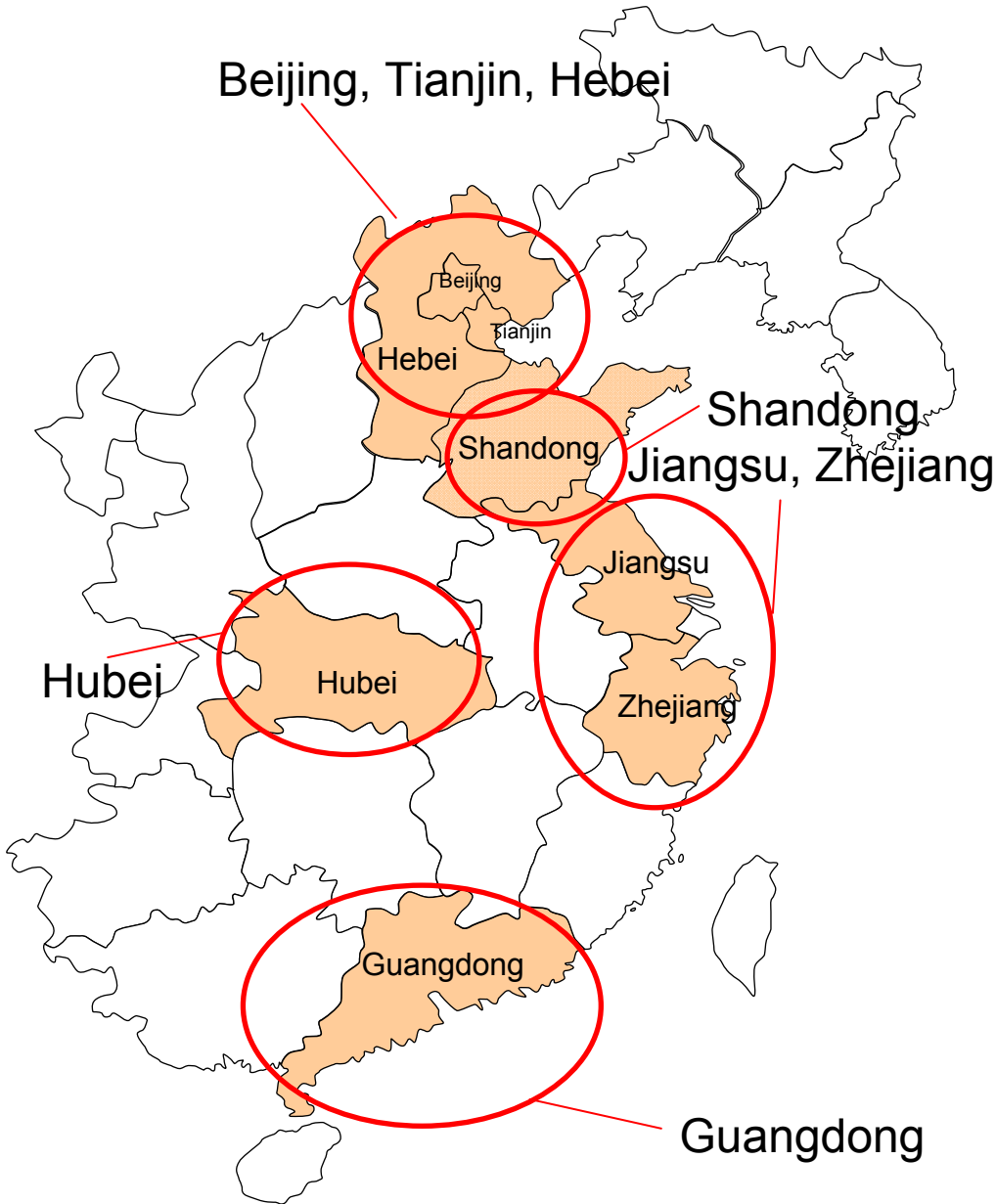
Revitalization opening of Aeon Mall Hinode on Mar. 20, 2014

- Out of a total of 160 stores, 29 new stores opened and 39 stores were renovated. => 40% renewal of the entire mall
- Growth of sales at specialty stores 8 months after the opening following revitalization: 107.7% (from Apr. 2014 to Nov. 2014)

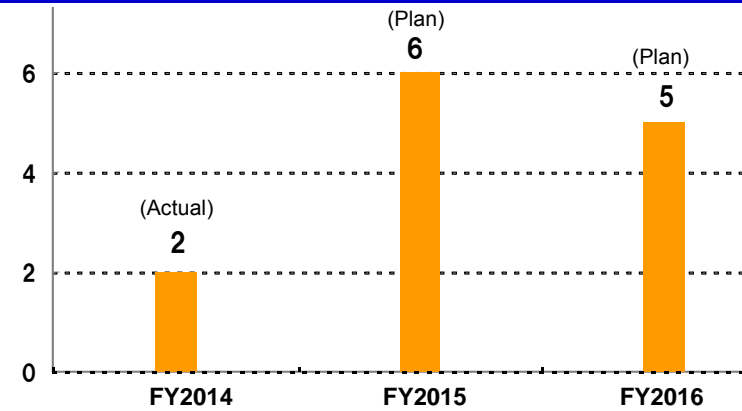


Number of overseas malls planned to be opened





Number of malls planned to be opened



List of planned mall openings that have been disclosed

| Opening | Name of Mall | Location | Site area | Floor area |
|-----------|---|-------------------------|------------------------------|------------------------------|
| FY2014 | Aeon Mall Suzhou Wuzhong (Opened April 25, 2014) | Suzhou, Jiangsu | 114,000 m ² | 154,600 m ² |
| [2 malls] | Aeon Mall Wuhan Jinyintan (Opened December 19, 2014) | Wuhan, Hubei | 88,000 m ² | 182,000 m ² |
| FY2015 | Aeon Mall Suzhou Industrial Park East Lake | Suzhou, Jiangsu | About 99,300 m ² | About 219,000 m ² |
| | Aeon Mall Beijing Fengtai | Feng Tai Qu, Beijing | About 63,800 m ² | About 147,300 m ² |
| | Aeon Mall Guangdong Panyu Square | Guangzhou, Guangdong | About 51,400 m ² | About 172,900 m ² |
| | Aeon Mall Suzhou Xinqu | Suzhou, Jiangsu | About 153,000 m ² | About 162,000 m ² |
| | Aeon Mall Hang Zhou Liang Zhu Xin Cheng | Hangzhou City, Zhejiang | About 94,800 m ² | About 176,000 m ² |
| FY2016 | Aeon Mall Wu Han WEDZ (tentative name) | Wuhan, Hubei | About 129,900 m ² | About 274,600 m ² |
| | Aeon Mall Yanjiao (tentative name) | Sanhe City, Hebei | About 84,000 m ² | About 175,000 m ² |
| | Aeon Mall Wu Han Shi Qiao (tentative name) | Wuhan, Hubei | About 46,200 m ² | About 120,900 m ² |
| | Aeon Mall Guangdong Jinshazhou (tentative name) | Guangzhou, Guangdong | About 84,500 m ² | About 187,700 m ² |

* 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.

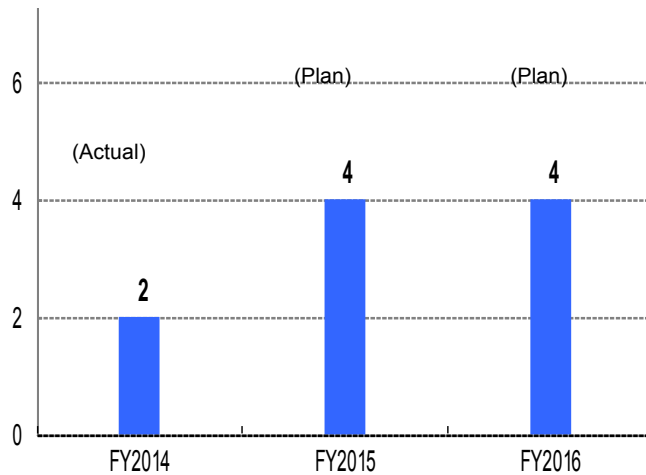


Aeon Mall Suzhou Industrial Park East Lake



Aeon Mall Hang Zhou Liang Zhu Xin Cheng

Number of malls planned to be opened



Vietnam: AEON MALL VIETNAM CO., LTD.

● Opening FY2015 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 m²
 Floor area: About 110,000 m²
 Total leasing area: About 73,400 m²

(Commencement of construction work on April 11, 2014)



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 m²
 Floor area: About 165,000 m²



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

The planned site is an area where comprehensive development covering approx. 270 ha is planned, including housing, commercial and public facilities and infrastructure. It is an area close to the center of urban Jakarta with a high population density and well-developed main roads and highways, which is expected to attract visitors from many parts of the city.

Location: Jalan Cakung Cilincing, Cakung, Jakarta, the Republic of Indonesia

Site area: About 85,000 m²
 Floor area: About 210,000 m²
 Total leasing area: About 91,000 m²

● Scheduled opening: from FY2016 Aeon Mall Deltamas (tentative name)

Location: Hegarmukti village, Cikarang Pusat subdistrict, Bekasi Regency, Jawa Barat Province

Site area: About 200,000 m²
 Floor area: About 125,000 m²

< Mall Opening Plan in Indonesia >



Business in the ASEAN Region: Indonesia



Business in the ASEAN Region: New Mall to be Opened in FY2015 - AEON Mall BSD CITY

The AEON Group's first mall in Indonesia

Aeon Mall BSD CITY

- Location: BSD City, Banten, Tangerang, Republic of Indonesia
- Site area: About 100,000 m²
- Floor area: About 165,000 m²
- Total leasing area: About 77,000 m²
- Parking: About 2,700 cars
- Specialty stores: About 190
- Anchor store: AEON (GMS)



Concept of the Mall

FOR YOUR SMART LIVING
 Aeon offers a great shopping experience to support smart living for Indonesian shoppers.

Construction began on August 24, 2013 (as of October 29, 2014)



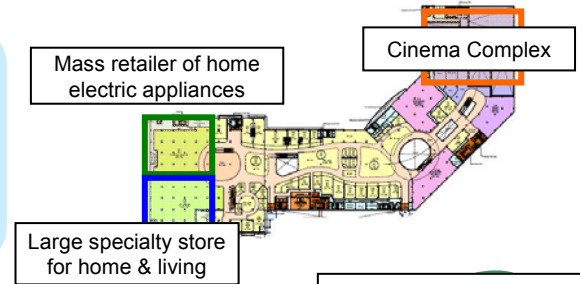
Location

- The planned site is located to the southwest of Jakarta, where full-scale development has been underway since 2003. Housing, industrial facilities, schools, hospitals, a golf course and sporting facilities are planned. The site has potential for outstanding development. In the area, an expressway extension is planned as well in the future.

Third floor:

Eating World & Entertainment

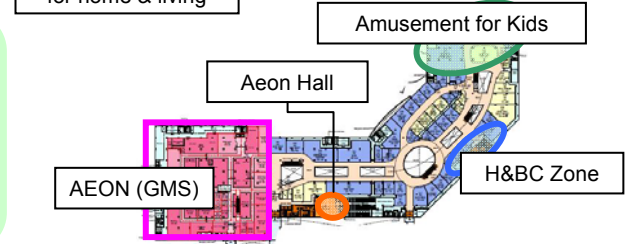
An entertainment floor with a cluster of food, cinema and home electric appliances



Second floor:

Kids' World & Goods

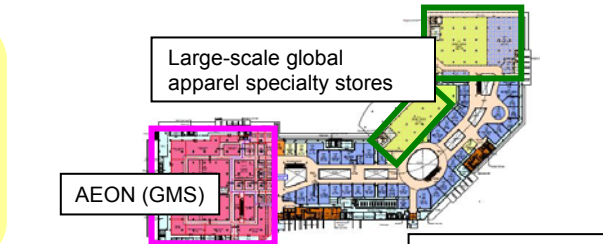
The region's largest apparel store and services for kids



First floor:

Fashion & Sports

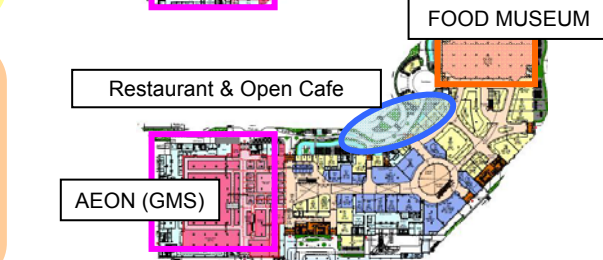
A floor gathering apparel specialty stores centered on popular global brands to spread trends



Ground Floor:

Food & Lifestyle

A floor with a fine restaurant, an open cafe, and specialty stores dealing in miscellaneous goods to offer advanced lifestyles



Consolidated Earnings Targets



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 |

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.