



# Financial Results for FY2017 Q2

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(1 March ~ 31 August 2017)



**AEON Mall Co., Ltd.**

**(TSE: 8905)**

As of October 4, 2017



## New Initiatives: Case study

●Retail Space for Community Origination	P 3-5
●Urban Fashion Building Business: A New Format	P 6-9
●Overseas State-of-the-Art Entertainment Malls	P 10-12

## Summary of Financial Results

●Overview of Consolidated Results	P 14
●Overseas: Specialty Store Sales Trends (Existing Malls)	P 15
●Overseas: Transitioning to Profitability	P 16
●Overseas: Quarterly Business Trends	P 17
●Japan: Specialty Store Sales at Existing 72 Malls	P 18-20
●Normal OP Improvement by Segment	P 21
●Japan: ①Happiness Mall Project	P 22
●Japan: ②Initiatives to Enhance Customer Drawing Power	P 23
●Japan: Mall Business - FY2017 Existing Mall Renewals	P 24
●AEON MALL Kofu Showa	P 25-27
●Japan: Mall Business - FY2017 New Mall Launches	P 28
●AEON MALL Matsumoto	P 29-33
●Japan: Urban Fashion Bldg Business -: FY2017 Existing Store Renewals / New Store Launches	P 34
●ESG Initiatives	P 35
●Summary of Income Statement	P 36
●Business Performance: Regional/Segmental Analysis	P 37
●Summary of Balance Sheet	P 38
●Summary of Statement of Cash Flows	P 39

## Medium-Term Management Plan (FY2017 to FY2019)

●Growth Initiatives	P 42-43
●Consolidated Business Targets	
Consolidated results / Results by segment	P 45
Number of new mall openings / Number of malls to be Revitalized (Japan)	P 46
Capital Investment / Financing plans and Investment break down	P 47

## ●Overseas Business (China,ASEAN)

### Capturing Asian Growth Opportunities

I. Reaping Benefits of Rising Brand Penetration (via Area-Dominant Strategy)	P 50-53
II. Development and Management of Superior Malls	P 54
III. Measures to Increase Operating Revenues	P 55-57
IV. Promotion of Localization of Management	P 58
New Mall Openings: Medium-term Plan	P 59
Plan for Improvement of Operating Income (Current FY2017)	P 60
Beijing and Tianjin Areas / Jjiangsu and Zhejiang Areas	P 61
Hubei Area / Guangdong Area	P 62
Vietnam	P 63
Indonesia / Cambodia	P 64

## ●Japan

### Development of Latent Sources of Domestic Demand

SC Industry Comparison with the U.S.	P 67
Assessing the Domestic Market	P 68
I. Capitalizing on Consolidation of Commercial Property Sector	P 69
II. Development of New MD	P 70
III. Development of New Formats	P 71

### Becoming the Overwhelmingly Dominant Mall in Each Region

I. Floor Expansion and Effective Revitalization Measures	P 73-75
II. Increase Earnings via Enhancement of Customer Drawing Power	P 76
III. New Mall Openings in Untapped Territory	P 77
IV. Improvement of ES for Tenants	P 78

### Capturing Urban Growth Opportunities

I. Establishment of Branding for New OPA	P 80
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### Optimal Financing Mix / Organizational to Support Growth

I. Financing to Support Growth Business Model	P 82
II. Promotion of Diversity Management	P 83

## ●Business Targets and Guidance (Consolidated)

Current FY2017 (ending-Feb 2018)	P 85
Profit Sharing	P 86

## Attachment (Mall Data)

List of Malls	P 88-89
Urban Style Fashion Building Business (OPA CO., Ltd)	P 90

# New Initiatives: Case Study

① **Retail Space for Community Origination**

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② **Urban Fashion Building Business: A New Format**

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③ **Overseas State-of-the-Art Entertainment Malls**

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## Retail Space for Community Origination

# THE OUTLETS

① A Full-fledged Outlet

② Entertainment

③ Harmony with  
Local Community

Retail Space for Community Origination

# THE OUTLETS HIROSHIMA (Tentative Name)

Opening Scheduled for 2018



Retail Space for Community Origination

# THE OUTLETS HIROSHIMA (Tentative Name)

① A Full-fledged Outlet



② Entertainment Facilities



③ Harmony with Local Community



Urban Fashion Building Business: A New Format

# Takasaki OPA

Grand Opening on 13 October 2017



Land Plot Size (m <sup>2</sup> ) :	7,400
Gross Leasable Floor Area (m <sup>2</sup> ):	26,000
Parking Spaces:	7,000
No. of Specialty Stores:	160

※ Parking space data includes space sourced from 3<sup>rd</sup> parties.

Urban Fashion Building Business: A New Format

<Takasaki OPA>

Propositioning Lifestyles: The 1<sup>st</sup> All New and Reborn OPA

	All stores	Shinsaibashi OPA	Takasaki OPA
Apparel	36%	45%	32%
Accessories	11%	9%	8%
Miscellaneous goods	20%	9%	21%
Food Items	4%	1%	16%
Dining	11%	15%	15%
Services	6%	20%	5%
Amusement	11%	1%	4%

Versus the Old OPA

**Composition of Sundry Goods, Food, and Dining Expanded**



Urban Fashion Building Business: A New Format

**<Takasaki OPA>**  
**Target Audience Expanded to Include Working Women**



5F Atrium

7F Food Hall



7F 78 (Naya)

2F Entrance

OPA Vision



Urban Fashion Building Business: A New Format

<Takasaki OPA>

Implementation of a Food Zone on the 1<sup>st</sup> Floor

「Smart Life Store」



Propositioning local vegetables and local specialty menus

Creation of an eat-in corner with seating for 80



Overseas State-of-the-Art Entertainment Malls

# Aeon Mall Jakarta Garden City

Grand Opening on 30 September 2017



<b>Land Plot Size (m<sup>2</sup>) :</b>	<b>85,000</b>
<b>Gross Leasable Floor Area (m<sup>2</sup>):</b>	<b>63,000</b>
<b>Parking Spaces:</b>	<b>3,000</b>
<b>No. of Specialty Stores:</b>	<b>220</b>

Overseas State-of-the-Art Entertainment Malls

**<Aeon Mall Jakarta Garden City>  
The Number One Food Space in East Jakarta**



Overseas State-of-the-Art Entertainment Malls

<Aeon Mall Jakarta Garden City>  
Strengthening the Amusement Aspect



Kids Amusement  
"FANPEKKA"



Cinema

Skating Rink ※Opening in mid-October



Ferris  
Wheel



# Summary of Financial Results

## Overview of Consolidated Results

**At the earnings level, performance above forecast resulting in both higher revenues and profits.  
Revenues, OP, RP, quarterly NP all hit record highs.**

(Unit: ¥, millions)

	Q2 FY2017 (Actual)	Q2 FY2016 (Actual)	Year-on-year		Q2 FY2017 (Plan)	Progress rate
			Change	%		
Operating revenue	141,035	132,709	8,326	106.3	142,000	99.3
Operating costs	104,472	99,440	5,032	105.1	—	—
Gross Profit	36,562	33,268	3,294	109.9	—	—
Selling, general and administrative expenses	13,979	12,987	992	107.6	—	—
Operating income	22,582	20,280	2,302	111.4	22,000	102.6
Ordinary income	21,958	20,614	1,344	106.5	21,500	102.1
Net income attributable to owners of parent	12,765	11,165	1,599	114.3	12,500	102.1
Net income per share (yen)	56.13	49.10	—	—	54.96	—

### ○ Japan Mall Business

Existing 72 Malls(※1) Spc Store Sales YoY: 103.4%  
Op Revenues YoY +¥6,546mn (106.0% YoY)  
Op Profits YoY +¥1,221mn (105.6% YoY)

### ○ Japan Urban Fashion Bldg. Business

Op Revenues YoY -¥713mn (94.1% YoY)  
Op Profits YoY -¥503mn (-¥58mn, nominal)

### ○ China

Existing Mall Spc Store Sales YoY: 119.5%  
Op Revenues YoY +¥1,569mn (116.8% YoY)  
Op Profits YoY +¥1,263mn (-¥635mn, nominal)

### ○ ASEAN

Vietnam Existing3(※2) Mall Spc Store Sales YoY: 111.6%  
Cambodia Existing 1 Mall(※2) Spc Store Sales YoY: 117.2%  
Op Revenues YoY: +¥924mn (130.8% YoY)  
Op Profits YoY: +¥320mn (¥107mn, nominal)

(Unit: ¥, millions)

	Number of ※1 new malls opened	Number of malls (As of August 31, 2017)		
Japan	3	150 ※2	Total assets	1,065,439
China	0	13	Equity	355,454
Cambodia	0	1	Equity ratio(%)	33.4
Vietnam	0	4	Debt-equity-ratio(times)	1.1
Indonesia	0	1	Net Debt-equity-ratio(times)	1.0
<b>Total</b>	<b>3</b>	<b>169</b>	EBITDA	41,250
Urban style fashion building(OPA)	1	21		

※1 Includes malls opened between 1 Mar 2017 and 31 August 2017.

※2 The Company signed a contract to undertake the management and operation of large commercial facilities of AEON Retail Co., Ltd. in 71 locations.

※1 Existing Malls excludes malls under management and operation contract with Aeon Retail Co., Ltd.

※2 Specialty store sales for existing overseas malls based on those malls where year earlier numbers are available.

## Factors Behind Sales Growth:

- Expansion of Customer Base via Rising Income & Consumption
- Area Population Growth given Mall Launches in Areas Advancing City-building

### China: Existing Mall, YoY

※Overseas corporate affiliates have fiscal years ending in Dec.  
 ※Calculations based on malls where YoY numbers are available.

China	FY2016 Jan~Dec (Cumulative)	FY2017 Jan~Jun (Cumulative)
Specialty Store Sales	115.4%	119.5%
Visitor Traffic	106.2%	111.4%

### ASEAN: Existing Mall, YoY

ASEAN	Cambodia		Vietnam	
	FY2016 Jan~Dec (Cumulative)	FY2017 Jan~Jun (Cumulative)	FY2016 Jan~Dec (Cumulative)	FY2017 Jan~Jun (Cumulative)
Specialty Store Sales	120.7%	117.2%	117.4%	111.6%
Visitor Traffic	121.7%	114.7%	109.1%	98.6%

※Indonesia: Data omitted owing to local business practices and difficulty in securing accurate specialty store sales numbers.



**As of FY2017 Q2**  
**7 Chinese Malls and 5 ASEAN Malls Became Profit Generating**

	China	ASEAN
<b>Shift to Profitability</b>	<p><b>7 Malls</b></p> <p>Beijing Int'l Mall, Tianjin Zhongbei,                      Wuhan Jinyintan,                      Suzhou Yuanqu Hudong,                      Hangzhou Liangzhu Xingcheng,                      Wuhan Jingkai, Suzhou Xinqu,</p>	<p><b>5 Malls</b></p> <p>Tan Phu Celadon, Phnom Penh,                      BSD CITY,  <b>Long Bien, Binh Tan</b></p>
<b>Loss Making</b>	<p><b>6 Malls</b></p> <p>Tianjin TEDA, Tianjin Meijiang,                      Suzhou Wuzhong, Beijing Fentai,                      Guangzhou Panyu Square, Hebei Yanjiao</p>	<p><b>1 Mall</b></p> <p>Bin Duong Canary</p>

**FY2017 Q2: In 6-months ...**

**OP Improvement of ¥1.5bn (China: +¥1.2bn, ASEAN: +¥0.3bn)**

**(Full-year FY2016: +¥1.6bn (China: +¥0.9bn, ASEAN: +¥0.6bn))**

### ◆ Quarterly Business Performance

Unit : ¥, Millions

	FY2016					FY2017		
	Q1	Q2	Q3	Q4	Full-year	Q1	Q2	1H
Operating revenue	6,410	5,910	6,337	7,048	25,707	7,498	7,316	14,814
Gross profit	-387	-197	-94	196	-483	618	624	1,242
Operating income	-1,074	-1,036	-846	-842	-3,799	-161	-366	-527

### ◆ Quarterly YoY Change

YoY	FY2016					FY2017		
	Q1	Q2	Q3	Q4	Full-year	Q1	Q2	1H
Operating revenue	+3,420	+2,518	+2,306	+1,714	+9,959	+1,087	+1,405	+2,493
Gross profit	-73	+219	+352	+875	+1,375	+1,005	+822	+1,827
Operating income	-39	+340	+464	+896	+1,662	+913	+670	+1,583

Japan: Specialty Store Sales at Existing 72 Malls

**Customer Traffic grew 1.9% YoY** demonstrating enhanced customer drawing power owing to more aggressive floor-expansions since last year.

**Specialty Store Sales rose 3.4%**

Specialty store sales	FY2016				
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total
After adjustment for weekend/ holidays	98.4%	98.6%	100.5%	99.1%	99.2%
No. of holidays	±0	±0	▲ 1	±0	▲ 1
Before adjustment for weekend/ holidays	98.4%	98.6%	99.7%	98.8%	98.9%

1st Quarter	FY2017			2nd Quarter	1st Half
	June	July	April		
104.3%	103.1%	104.3%	102.4%	103.3%	103.8%
▲ 1	±0	±0	±0	±0	▲ 1
103.4%	103.1%	104.3%	102.4%	103.3%	103.4%

No. of customers through checkout *	97.0%	98.2%	102.3%	99.1%	99.1%
Average customer Transaction *	101.5%	100.5%	97.4%	99.7%	99.8%
No. of cars parked	99.2%	99.7%	102.5%	99.5%	100.2%
No. of visitors	97.4%	98.6%	100.8%	99.0%	98.9%

104.0%	102.8%	105.1%	102.2%	103.4%	103.7%
99.4%	100.3%	99.2%	100.2%	99.9%	99.7%
102.6%	101.5%	102.6%	101.4%	101.9%	102.3%
101.9%	102.2%	103.0%	100.8%	101.9%	101.9%

※GMS and other anchor tenant data not included.

## Japan: Specialty Store Sales at Existing 72 Malls: YoY% Chg by Segment

Cinema sales were strong at 112.9% YoY (component of Amusement) thanks to a hit title.

The repercussion effect of increased Cinema traffic on other categories along with benefits arising from more aggressive renewal operations resulted in not only 112.4% in the Food category, but a boost to all categories.

	FY2016				
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total
All Specialty stores	98.4%	98.6%	99.7%	98.8%	98.9%
Large Specialty stores subtotal	101.3%	100.8%	100.3%	100.2%	100.6%
Apparel	97.0%	96.4%	95.3%	94.5%	95.7%
Accessories	95.5%	96.7%	97.0%	98.1%	96.8%
Miscellaneous goods	100.8%	102.5%	102.3%	101.4%	101.7%
Hobby Items	100.5%	100.6%	99.6%	101.9%	100.7%
Groceries	98.7%	104.7%	108.3%	108.4%	105.1%
Drinking and eating	99.0%	99.9%	101.5%	99.9%	100.1%
Amusement	98.9%	96.8%	120.8%	101.3%	103.3%
Services	97.9%	97.1%	98.5%	101.7%	98.7%
Specialty stores subtotal	98.1%	98.4%	99.6%	98.6%	98.6%

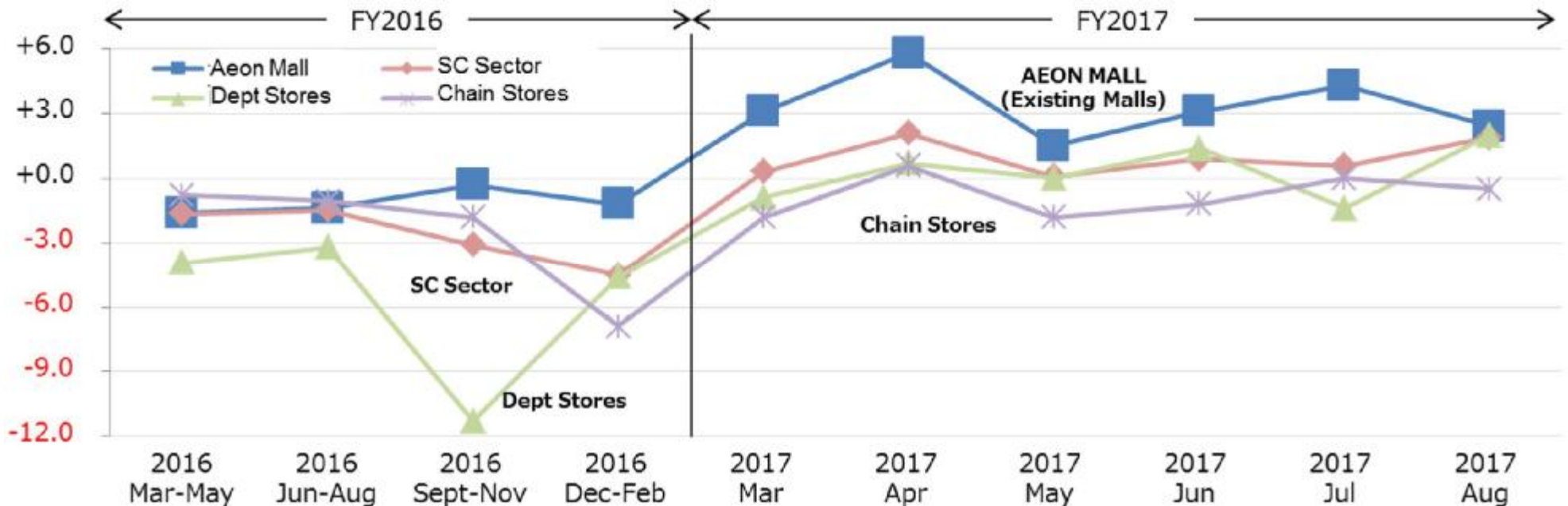
	FY2017					
	1st Quarter	June	July	August	2nd Quarter	1st Half
All Specialty stores	103.4%	103.1%	104.3%	102.4%	103.3%	103.4%
Large Specialty stores subtotal	106.2%	106.2%	107.7%	106.3%	106.8%	106.5%
Apparel	98.6%	99.2%	98.8%	98.3%	98.8%	98.7%
Accessories	99.5%	102.6%	100.6%	101.8%	101.6%	100.5%
Miscellaneous goods	105.9%	109.2%	109.6%	108.8%	109.2%	107.5%
Hobby Items	104.7%	104.4%	104.8%	102.2%	103.8%	104.2%
Groceries	113.3%	114.1%	110.6%	109.7%	111.3%	112.4%
Drinking and eating	103.2%	102.8%	103.7%	102.3%	102.9%	103.0%
Amusement	115.5%	96.5%	123.9%	99.2%	106.4%	110.7%
Services	106.6%	104.5%	102.6%	102.3%	103.1%	104.7%
Specialty stores subtotal	103.0%	102.7%	103.8%	101.9%	102.8%	102.9%

Japan: Specialty Store Sales at Existing 72 Malls: YoY% Chg vs Industry

Since the 2<sup>nd</sup> half of 2016, sales growth at Aeon Mall has exceeded not only the SC sector, but other retail sectors as well

◆ YoY Sales Comparisons: Aeon Mall, SC Industry, Dept Stores, Chain Stores

※FY2016 3-month averages for SCs, department stores, and chain stores, uses simple monthly averages.  
 ※YoY Comparisons for Aeon Mall are before calendar adjustments.



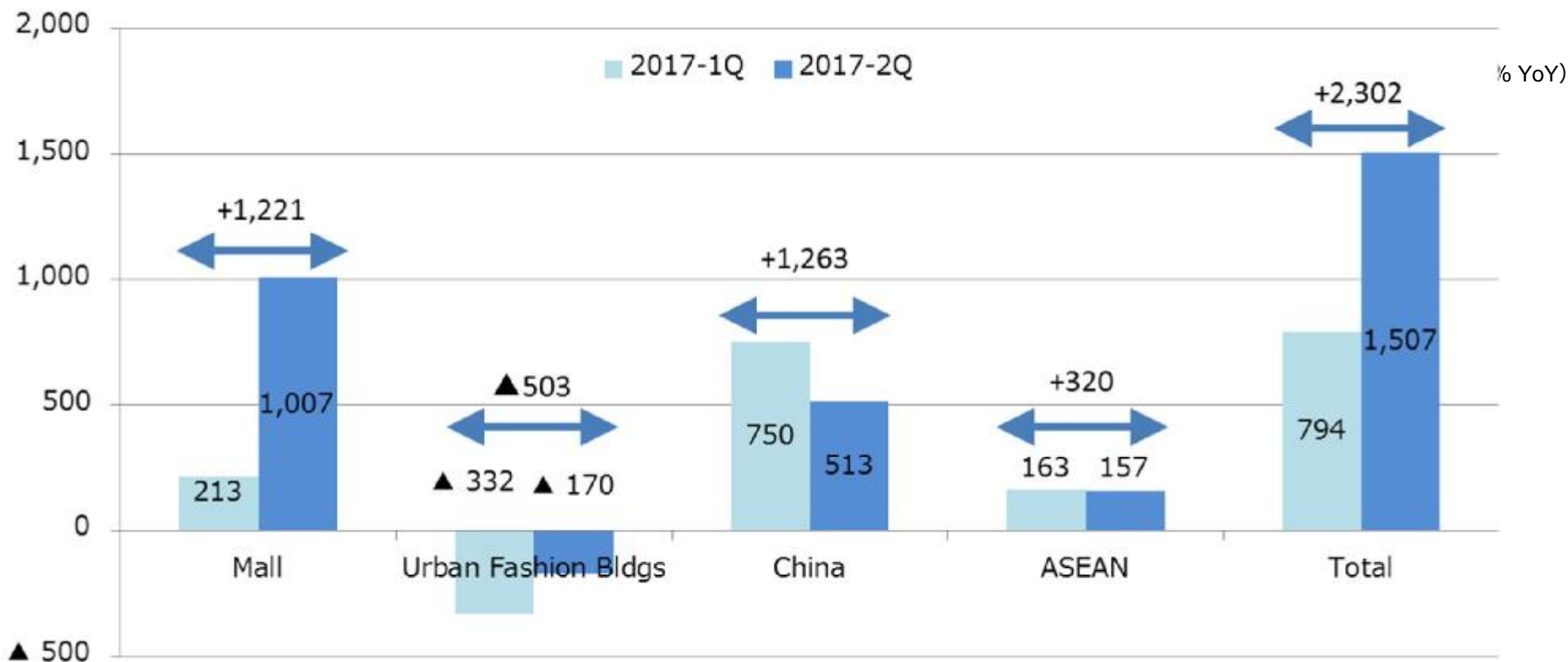
Source : Japan Council of Shopping Centers, Japan Department Store Association, Japan Chain Store Association

Nomnal OP Improvement by Segment

Domestically, mall business earnings have seen nominal acceleration. Meanwhile, the rate of earnings decline at the urban fashion building business has slowed. Overseas, earnings improvement has continued from Q1.

◆ Quarterly OP Change by Segment

Unit: ¥, Millions





The "Happiness Mall Project" is an initiative promoted by Aeon Mall to realize "Health & Wellness." Regardless of age or gender, the aim is to secure health in both body and soul or the Company calls "Wellness Life" for all customers in any given mall community.

◆ Mall Walking

Safe within the confines of the mall and unfettered by weather, "Mall Walking" implemented at 40 Domestic Malls



◆ Robust Events

Fujiwara Theatre Group Performance of "NORMA." To Commemorate Tokyo Showing, Aeon Mall Makuhari-Shintoshin Hosted 「The Fun of Opera」



Cooling-off at Aeon Mall



Aeon Mall Shin-Komatsu (Ice Sculpture Event)



Aeon Mall Sakai Teppoh-cho (Water-slider, Jabujabu Splash Zone)



Aeon Hall opened to the public as a Study Hall

New Services with Digitalization Initiatives

**Aeon Mall Makuhari Shn-Toshin**  
Start of on-premise testing of automated information guide using Pepper and AI.

**TalkQA for Pepper**  
A service for customers where Pepper, via AI learnt data, provides product and/or service information.



**Aeon Mall Matsumoto**  
Introduction of AI Voice information guide system.

Utilizing a character on digital signage, the service understands and provides optimized answers to questions posed to it by customers.



Hosting of Aeon Lake Town Vietnam/Hanoi Fair



- Time : 5 June 2017 (Mon) ~ 11 June (Sun)
- Place : Aeon Lake Town mori · kaze · Aeon Style Lake Town
- ★ Host : Hanoi People's Committee / Aeon · Aeon Retail · Aeon Mall
- ★ Sponsors : Vietnam Chamber of Commerce · Embassy of the Socialist Republic of Vietnam in Japan



**Specialty Store Sales Increased 5.8%**  
31 Existing Malls that Underwent Renewal in FY2016 and Q2 FY2017

Shopping malls	Location	Date reopened	Tenants	No. of tenants on reopening
AEON MALL Kisogawa	Ichinomiya city, Aichi Prefecture	March 4	170	87
		June 9		18
AEON MALL Hamamatsu Shitoro	Hamamatsu city, Shizuoka Prefecture	March 17	160	60
AEON MALL Niihama	Niihama city, Ehime Prefecture	March 17	120	32
		July 25		15
AEON MALL Yamato	Yamato city, Kanagawa Prefecture	March 18	90	38
AEON MALL Kawaguchi Maekawa	Kawaguchi city, Saitama Prefecture	March 24	170	15
AEON MALL Rinku Sennnan	Sennnan city, Osaka Prefecture	April 6	170	132
AEON MALL Hinode	Hinode-cho, Nishitama-gun, Tokyo Prefecture	April 21	160	57
AEON MALL Nogata	Nogata city, Fukuoka Prefecture	April 28	140	49
		July 14		35
AEON MALL Tokoname	Tokoname city, Aichi Prefecture	July 12	180	—
Kobe Harborland umie	Kobe city, Hyogo Prefecture	July 14	230	6
AEON MALL Omuta	Omuta city, Fukuoka Prefecture	July 14	130	16

### AEON Mall Tokoname Opening of Expanded Cinema 12 July 2017



Opening:	December 2015
Land Area (m <sup>2</sup> ):	202,000
Leasae Space (m <sup>2</sup> ):	86,700
of which Cinema (m <sup>2</sup> ):	3,900
Parking Space:	4,000

Aeon Mall Kofu Showa

# Aeon Mall Kofu Showa

Expansion - Renewal Open: 23 Nov. 2017

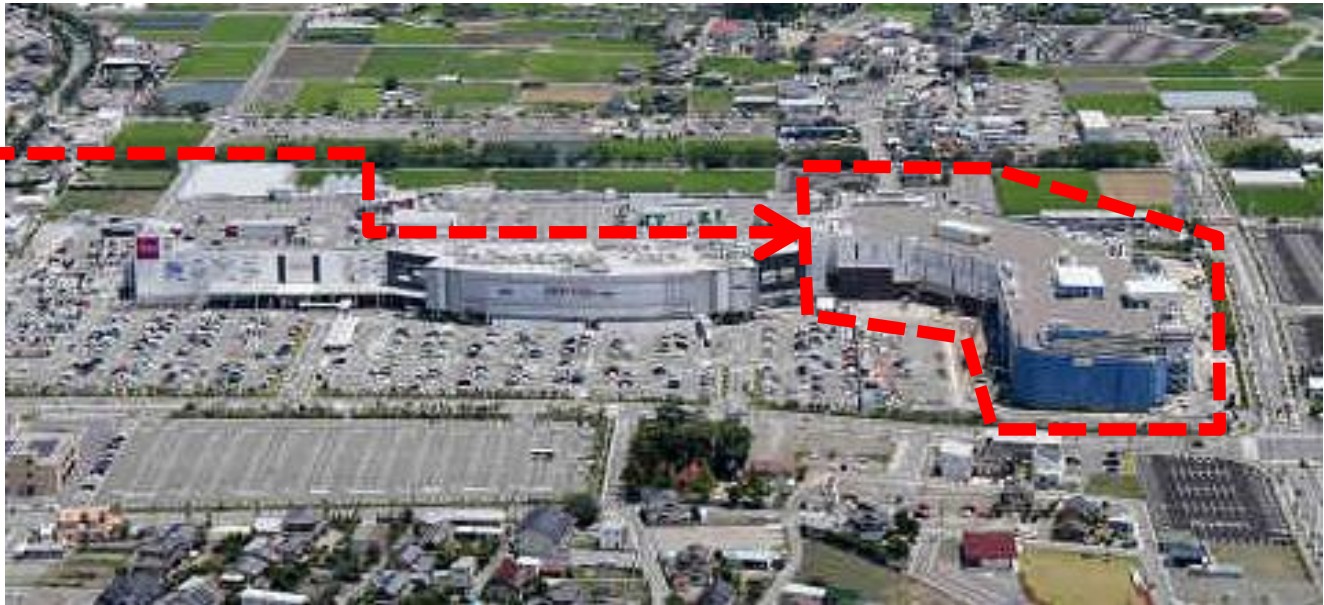
Land Area (m<sup>2</sup>): 119,000  
Parking Space: 3,500 (+1,000)

Leasable Area (m<sup>2</sup>): 70,000 (+22,000)  
Tenants (Specialty Stores): 180 (+50)



Aeon Mall Kofu Showa

Evolving into Yamanashi Pref.'s Overwhelmingly No. 1 Regional Mall



Expanded Area		Existing Area			Total
New	Transfer	New	Transfer	Renovation	
<b>38</b>	<b>18</b>	<b>37</b>	<b>8</b>	<b>35</b>	<b>136</b>

Roughly **80%** (136 stores) of the existing 180 specialty stores have undergone renewals. Of the 75 retailers launching stores for the first time, 56 are entering Yamanashi for the first time.

Aeon Mall Kofu Showa

Expanded floor space has allowed enhancement of store breadth and filling of gaps in the retail line-up - furthering Aeon Mall's regional no. 1 position



ZARA



BAYFLOW

okaïdi



[Toward the Overwhelmingly No. 1 Mall (per Region)]

## Japan Mall Business: FY2017 New Mall Launches

### Aeon Mall Shin-Komatsu (Ishikawa Pref., Komatsu City)

Opening: 24 Mar 2017  
 Land Area: 128,000m<sup>2</sup> Lease Area: 63,000m<sup>2</sup>  
 Parking Space: 3,400 Tenants: 170 Stores



### Aeon Mall Tokushima (Tokushima Pref., Tokushima City)

Opening: 27 Apr 2017  
 Land Area: 50,000m<sup>2</sup> Lease Area: 50,000m<sup>2</sup>  
 Parking Space: 3,100 Tenants: 160 Stores



### Aeon SENRITO Specialty Hall (Osaka, Toyonaka City)

Opening: 21 Apr 2017  
 Land Area: 12,200m<sup>2</sup> Lease Area: 9,100m<sup>2</sup>  
 Parkin Space: 400 Tenants: 35 Stores



### Aeon Mall Kobe Minami (Hyogo Pref., Kobe)

Opening: 20 Sept 2017 (Grand Opening)  
 Land Area (m<sup>2</sup>): 38,000 Lease Area (m<sup>2</sup>): 39,000  
 Parking Space: 1,400 Tenants: 130 Stores



\*Phase One opened in June.

- Ø In a tie-up with the Kobe Central Wholesale Market, an expansive marche zone has been created serving fresh food products.
- Ø In cooperation with govt., a community space was created at the adjoining Promenade Canal.

Aeon Mall Matsumoto

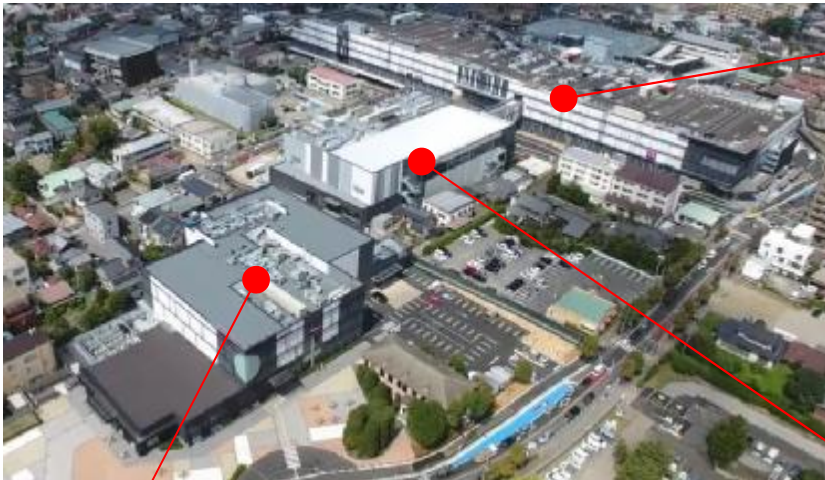
# Aeon Mall Matsumoto Grand Opening: 21 September 2017

**Land Area (m<sup>2</sup>): 62,500**  
**Lease Area (m<sup>2</sup>): 49,000**  
**Parking Space: 2,300**  
**Tenants: 170 Stores**



Aeon Mall Matsumoto

Comprised of 3 Sub-Malls Each with Defining Characteristics



**<Sunny Garden – Hare Niwa>  
Main Mall for a Brilliant Everyday Living**

The old “Katakura Kogyo Office Building” was refurbished and retained and now sits as a symbol in the court at the center of the mall.



**<Sky Garden – Sora Niwa>  
Shinshu’s First - Entertainment Mall**

Equipped not only with a full-fledged market for direct sales of farm/livestock products, but also with a state-of-the-art cinema complex.



**<Breeze Garden – Kaze Niwa>  
Matsumoto’s Largest Food Mall**

In addition to a restaurant zone made-up of 16 restaurants in a classic setting, there is a food court with 13 restaurants and 1,000 seating capacity.



Aeon Mall Matsumoto

**Building Malls with Deeper Ties to the Community via Leveraging of History and Tourism Assets**



**The exterior of the old Katakura Kogyo Office Building was refurbished and retained and now sits as a symbol in the court at the center of the mall.**



Aeon Mall Matsumoto

Emphasis on Localization and on-going discussions with the community have resulted in success in securing local tenants



**FARMER'S TERRACE  
MATSUMOTO**



Aeon Mall Matsumoto

Aggressive Implementation of Initiatives Designed to Invigorate Local Communities



Hosting of "Mall Walking"



Nurturing of "Dementia Supporters"



Issuance of Matsumoto Yamaga FC's Originally Designed "Love Soccer WAON" Card



Installation of Signage Tourist Info



**Enhancing Profitability via Renewal of All 20 Existing Stores**

Urban Fashion Buildings	Location	Date reopened
Yokohama Vivre	Yokohama city, Kanagawa Pref.	1st: March 17 2nd: April 7
World Porters Vivre	Yokohama city, Kanagawa Pref.	1st: March 17 2nd: April 14
Akashi Vivre	Akashi City, Hyogo Pref.	March 18
Canal City OPA	Fukuoka city, Fukuoka Pref.	April 1
Tenjin Vivre	Fukuoka city, Fukuoka Pref.	April 7

◆ Akashi VIVRE

<Entrance>



<Elevator>



<Entrance: Aeon Side>



**Mito Opa** (Mito City, Ibaraki Pref)

Opening: 18 Mar 2017  
 Site Area: 3,500m<sup>2</sup>  
 Gross Lease Fl. Area: 12,500m<sup>2</sup>  
 Parking Space: 1,500  
 Specialty Stores: 61

Store launched via master lease of the JR South Tower which has direct connection to the South Exit of JR Mito Station. Total of 61 stores including 11 launching stores for the first time in Ibaraki.



ESG Initiatives

Selected for 2 ESG Indices Adopted by GPIF

Of the three ESG Indices GPIF ※ has adopted as indices for Investment for Social Responsibility, Aeon Mall has been selected for inclusion in the following two.

① MSCI Japan ESG Select · Leaders Index



② MSCI Japan Empowering Women (WIN) Index



※GPIF: Government Pension Investment Fund 厚生年金と国民年金

An independent administrative agency tasked with administrating and managing pension assets of the Employees' Pension and National Pension under the jurisdiction of the Ministry of Health, Labor & Welfare

For the 3<sup>rd</sup> consecutive year, Aeon Mall has secured the highest "Green Star" from GRESB Real Estate



Aeon Mall was evaluated highly in "management policies" and "execution and measurement" with regard to environmental awareness and sustainability. Of the 4 ranks awarded, the Company received the highest "Green Star" rating.

- Relative to an average score of 63 among participating companies and funds, Aeon Mall secured a score of 80, the highest ever for the Company (79 last year).
- As regards to the Company's relative score based on the aggregate score, (GRESB Rating), Aeon Mall received the highest "5-Star" rating.
- Additionally, the Company secured the highest rating of "A" from GRESB (Disclosure Rating - ESG Information Disclosure Level).

The Global Real Estate Sustainability Benchmark (GRESB)

A benchmark evaluating an entity's real asset environment, social, and governance considerations. The benchmark was established in 2009 led by the major European pension funds who were also leaders in the principles of the United Nations Responsible Investing (PRI) initiative.

# FY2017 Q2: Review of Consolidated Results (1 Mar. ~ 31 Aug. 2017)

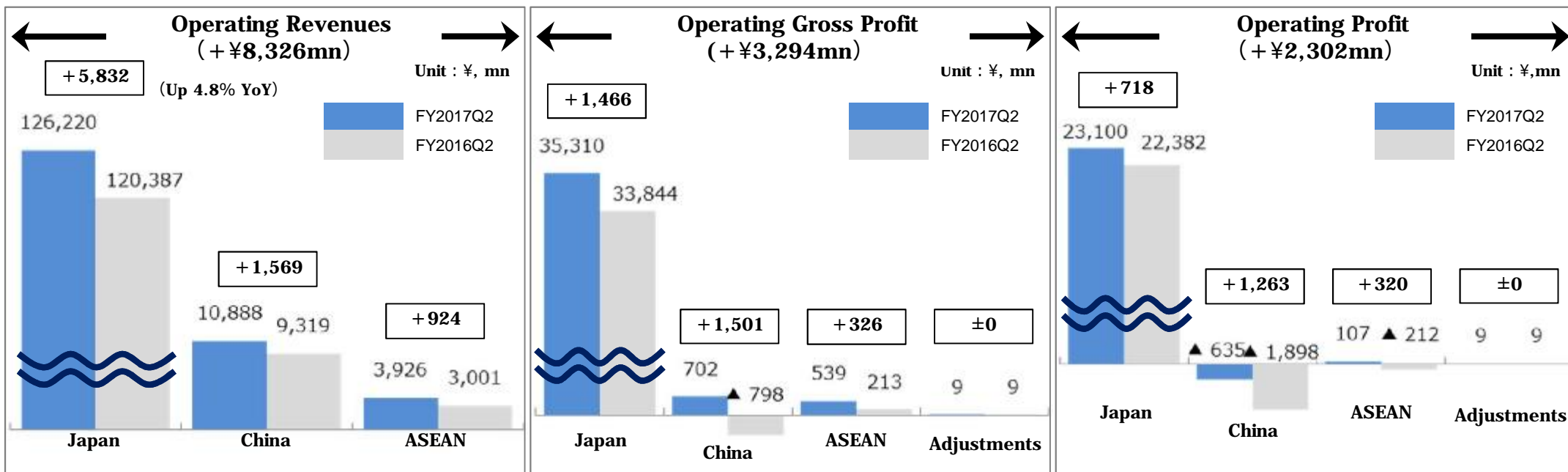


## Summary of Income Statement

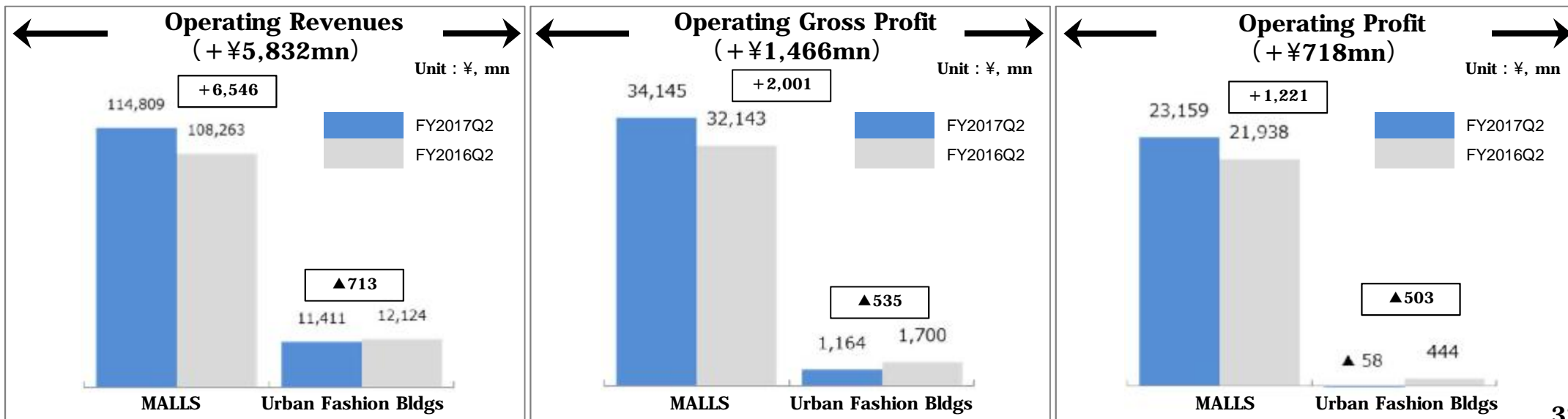
(¥, millions)							
Consolidated (¥, millions)	Q2 FY2017	Ratio	Q2 FY2016	Ratio	YoY Growth	Nominal Chg	Comment
Operating Revenue	141,035	100.0%	132,709	100.0%	106.3%	8,326	- Japan: 7 new malls +¥4,421 million - Japan: Existing 72 malls +¥1,750 million - Japan: Urban fashion building business (OPA) -¥713 million - Japan: Other +¥374 million - Overseas malls +¥2,493 million
Operating costs	104,472	74.1%	99,440	74.9%	105.1%	5,032	- Japan: 7 new malls +¥4,595 million - Japan: Existing 72 malls -¥887 million - Japan: Urban fashion building business (OPA) -¥177 million - Japan: Other +¥835 million - Overseas malls +¥665 million
Gross profit	36,562	25.9%	33,268	25.1%	109.9%	3,294	- Japan: 7 new malls -¥174 million - Japan: Existing 72 malls +¥2,638 million - Japan: Urban fashion building business (OPA) -¥535 million - Japan: Other -¥461 million - Overseas malls +¥1,827 million
SG&A expenses	13,979	9.9%	12,987	9.8%	107.6%	992	- Japan: Mall business (excludes OPA) +¥780 million - Japan: Urban fashion building business (OPA) -¥32 million - Overseas business +¥243 million
Operating income	22,582	16.0%	20,280	15.3%	111.4%	2,302	
Non-operating profits	1,458	1.0%	2,752	2.0%	53.0%	(1,293)	- Subsidy income -¥552 million - Foreign exchange gains -¥900 million - Contact cancellation fees received from tenants -¥85 million - Interest income +¥146 million
Non-operating expenses	2,082	1.4%	2,418	1.8%	86.1%	(335)	- Interest expenses +¥96 million - Foreign exchange losses +¥76 million - Loss on valuation of derivatives due to currency hedging -¥851 million
Ordinary income	21,958	15.6%	20,614	15.5%	106.5%	1,344	* Exchange-related balance of payments -¥125 million
Extraordinary gains	650	0.5%	41	0.0%	1571.3%	608	- Indemnity Principle Gain +¥616 million
Extraordinary losses	3,034	2.2%	1,602	1.2%	189.4%	1,432	- Loss on disposal of fixed assets -¥366 million - Provisioning for losses from store closures. +¥442 million - Impairment loss +¥888 million - Loss on lease contract cancellations +¥948 million - Provisioning for credit expenses -¥675 million
Income before income taxes	19,574	13.9%	19,053	14.3%	102.7%	520	
Income taxes	6,904	4.9%	7,716	5.8%	89.5%	(812)	
Net income	12,669	9.0%	11,336	8.5%	111.8%	1,332	
Net income (loss) attribute to non-controlling interests	(95)	▲0.1%	171	0.1%	-	(267)	
Net income attribute to owners of parent	12,765	9.1%	11,165	8.4%	114.3%	1,599	

\* 8 new malls in Japan (4 malls opened in 2016, 4 malls opened in 2017)

Business Performance: Regional/Segmental Analysis



◆Japan: Segmental Breakdown



## Summary of Balance Sheet

(¥, millions)

Consolidated (¥, millions)	Q2 FY2017	FY2016	Change	Comment
Cash and deposits	46,018	59,921	(13,903)	
Deposits to associated companies	1,000	11,000	(10,000)	- AEON Group's surplus fund management
Other current assets	46,108	39,424	6,683	
<b>Current assets</b>	<b>93,126</b>	<b>110,346</b>	<b>(17,220)</b>	
Property, plant and equipment	837,755	762,237	75,517	- Acquisition of property, plant and equipment +¥95,547 million - Depreciation -¥18,180 million
Intangible fixed assets	3,983	4,077	(94)	
Investments and other assets	130,575	136,096	(5,521)	- Long-term prepayment expense (Inc.land-use rights) -¥3,646 million
<b>Fixed assets</b>	<b>972,313</b>	<b>902,412</b>	<b>69,901</b>	
<b>Total assets</b>	<b>1,065,439</b>	<b>1,012,758</b>	<b>52,680</b>	
Income taxes payable	7,176	7,897	(720)	
Deposits from tenants	46,727	35,483	11,243	
Accounts payable-construction	57,204	62,500	(5,296)	
Other current liabilities	83,072	106,236	(23,164)	- Bonds due within one year -¥10,000 million - Current portion of long-term debt -¥14,644 million
<b>Current liabilities</b>	<b>194,180</b>	<b>212,117</b>	<b>(17,937)</b>	
Long-term liabilities	509,907	444,437	65,469	- Straight bonds +¥50,000 million - Long-term debt +¥13,677 million - Lease deposits from lessees +¥2,390 million
<b>Total liabilities</b>	<b>704,087</b>	<b>656,555</b>	<b>47,532</b>	
<b>Total equity</b>	<b>361,351</b>	<b>356,203</b>	<b>5,147</b>	
<b>Equity ratio</b>	<b>33.4%</b>	<b>34.6%</b>	<b>(0.5%)</b>	

Equity	355,454	350,073	5,381
Interest-bearing debt	402,579	360,292	42,287
Ratio of interest-bearing debt to assets	37.8%	35.6%	(0.2%)
Debt-to-equity ratio (times)	1.1	1.0	0.1
Net debt-to-equity ratio (times)	1.0	0.9	0.1

### [Change in interest-bearing debt] (¥ million)

	Q2 FY2017	FY2016	Change
Short-term debt	3,255	-	3,255
Bonds due within one year	-	10,000	-10,000
Current portion on long-term debt	37,918	52,563	-14,644
Straight bonds	170,000	120,000	50,000
Long-term debt	191,406	177,728	13,677
<b>Total</b>	<b>402,579</b>	<b>360,292</b>	<b>42,287</b>

## Summary of Statement of Cash Flows

(¥, millions)

Consolidated(¥ million)	Q2 FY2017	Q2 FY2016	Change	Main Items
Cash flows from operating activities	41,322	37,969	3,353	<ul style="list-style-type: none"> <li>- Net income before taxes ¥19,574 million</li> <li>- Depreciation ¥18,668 million</li> <li>- Deposits received from specialty stores ¥11,306 million</li> <li>- Payment of corporate taxes -¥7,966 million</li> </ul>
Cash flows from investing activities	(104,789)	(74,494)	(30,294)	<ul style="list-style-type: none"> <li>- Purchase of property, plant and equipment -¥107,853 million</li> <li>- Purchase of long-term prepaid expenses (Rights to use overseas land, etc) -¥1,884 million</li> <li>- Increase in guarantee deposits (net) ¥2,405 million</li> </ul> <p style="text-align: right;">} *Capital Investment ¥109,737 million</p>
Cash flows from financing activities	39,497	41,467	(1,969)	<ul style="list-style-type: none"> <li>- Net increase in short-term debt ¥3,255 million</li> <li>- Proceeds from long-term debt ¥26,636 million</li> <li>- Repayment of long-term debt -¥27,111 million</li> <li>- Proceeds from issuance of bonds ¥50,000 million</li> <li>- Redemption on maturing bonds. -¥10,000 million</li> <li>- Dividends paid -¥3,070 million</li> </ul>
Cash and cash equivalents at year-end	44,930	52,709	(7,779)	

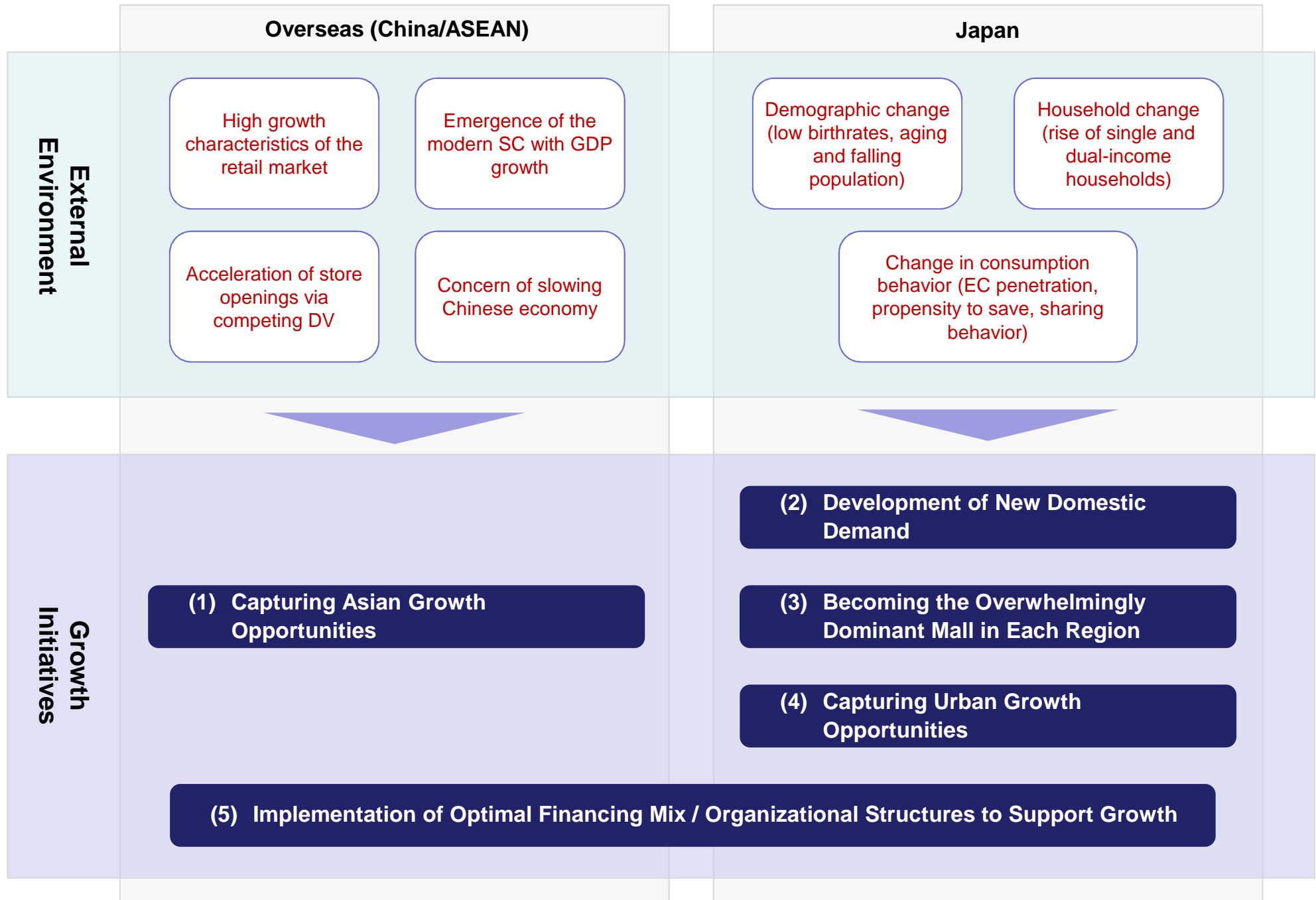


# **Medium-Term Management Plan**

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**(FY2017 to FY2019)**

# Growth Initiatives

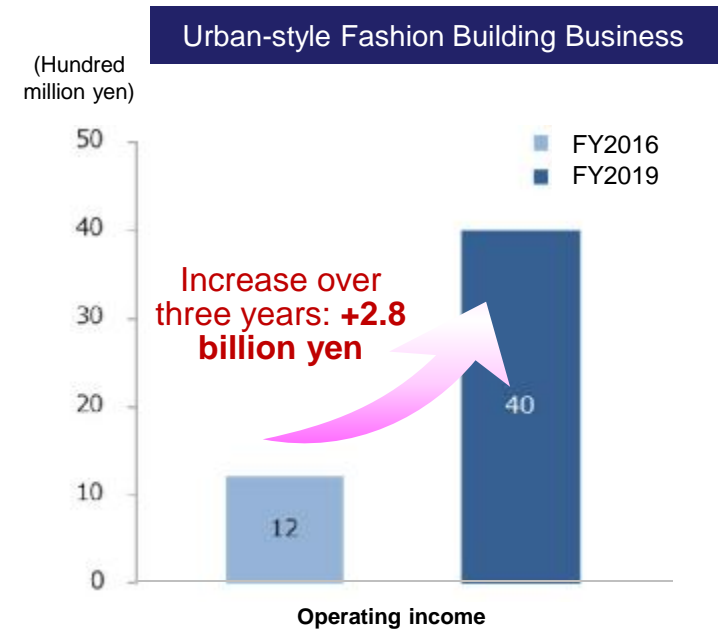
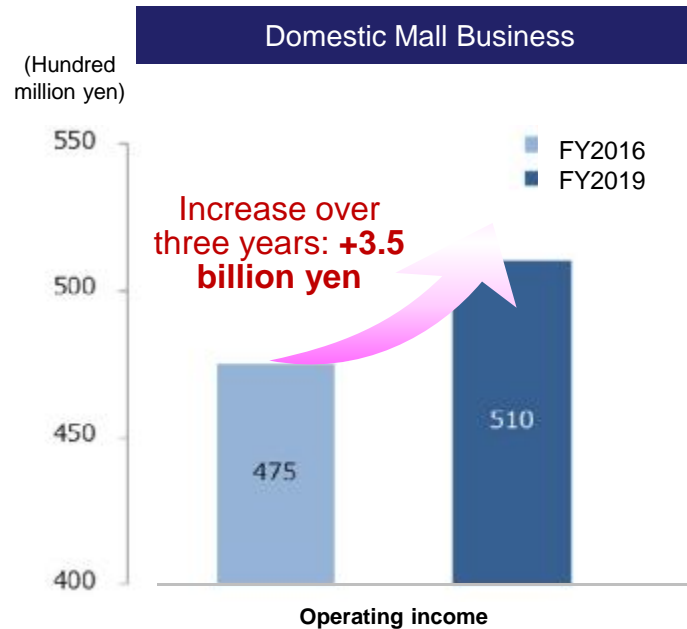
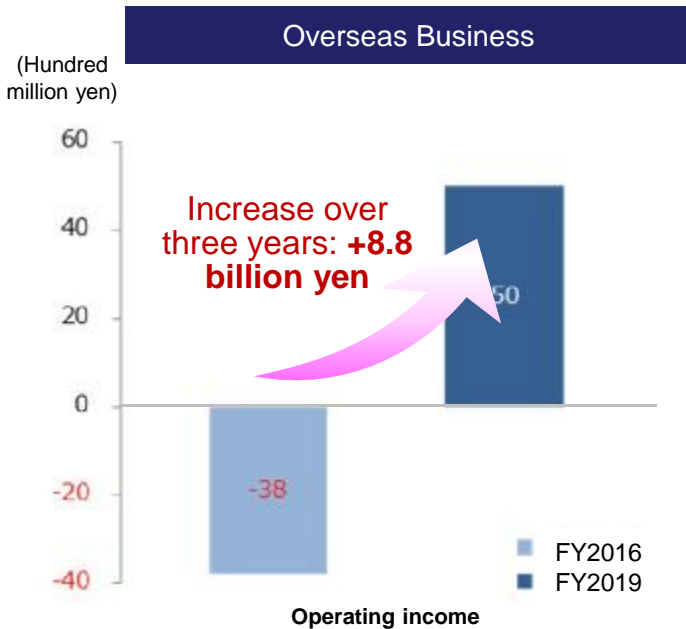
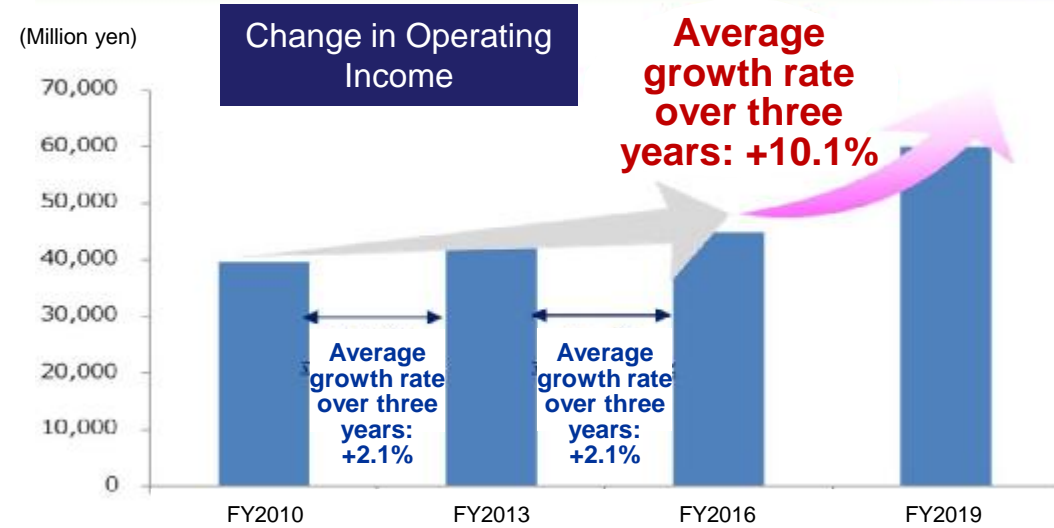


<p style="text-align: center;"><b>(1)</b> <b>Capturing Asian Growth Opportunities</b></p>	<ul style="list-style-type: none"> <li>I. Reaping benefits of rising brand penetration (via area-dominant strategy)</li> <li>II. Development and management of superior malls</li> <li>III. Measures to increase operating revenues</li> <li>IV. Promotion of local management</li> </ul>
<p style="text-align: center;"><b>(2)</b> <b>Development of Latent Sources of Domestic Demand</b></p>	<ul style="list-style-type: none"> <li>I. Capitalizing on consolidation of commercial property sector</li> <li>II. Development of new MD</li> <li>III. Development of new formats</li> </ul>
<p style="text-align: center;"><b>(3)</b> <b>Becoming the Overwhelmingly Dominant Mall in Each Region</b></p>	<ul style="list-style-type: none"> <li>I. Floor expansion and effective revitalization measures</li> <li>II. Increase earnings via enhancement of customer drawing power</li> <li>III. New mall openings in untapped territory</li> <li>IV. Improvement of ES for tenants</li> </ul>
<p style="text-align: center;"><b>(4)</b> <b>Capturing Urban Growth Opportunities</b></p>	<ul style="list-style-type: none"> <li>I. Establishment of branding for new OPA             <ul style="list-style-type: none"> <li>- Development of new format in urban locations</li> <li>- Promotion of renewal of existing stores and strategic S&amp;B/refining</li> <li>- Opening of New Stores in urban areas</li> </ul> </li> </ul>
<p style="text-align: center;"><b>(5)</b> <b>Optimal Financing Mix / Organizational Structures to Support Growth</b></p>	<ul style="list-style-type: none"> <li>I. Financing to support growth business model</li> <li>II. Promotion of diversity management</li> </ul>

# Consolidated Business Targets

## ◆ Consolidated Results

	FY2016 (ended February 2017)	FY2019 (ending February 2020)	Average growth rate over three years
Operating revenue	¥269.7 bn	¥340.0 bn	+8.0%
Operating income	¥44.9 bn	¥60.0 bn	+10.1%



- New store openings of 15 malls for the three-year period of the medium-term plan are planned.
- It is planned that operating income will move into the black for the fiscal year 2017 and that for the last fiscal year under the medium-term plan, FY2019, operating income will be 5.0 billion yen (an improvement of up 8.8 billion yen from FY2016).

- For the three-year period of the medium-term plan, new store openings of 11 malls, increases in the floor areas of eight malls and the renewals of 30 malls or more are planned.
- For the last fiscal year under the medium-term plan, FY2019, operating income of 51.0 billion yen is planned.

- For the three-year period of the medium-term plan, new openings of four stores and the scrapping and building of one store are planned.
- For the last fiscal year under the medium-term plan, FY2019, operating income of 4.0 billion yen is planned.

## ◆ Number of New Mall Openings

		FY2017 (ending February 2018)	FY2018 (ending February 2019)	FY2019 (ending February 2020)	Total
Mall	Japan	5	4	2	11
	Overseas	5	4	6	15
	China	(4)	(2)	(3)	(9)
	ASEAN	(1)	(2)	(3)	(6)
Urban-style fashion building		2	2	1	5
Total		12	10	9	31

## ◆ Number of Malls to be Revitalized in Japan

	FY2017 (ending February 2018)	FY2018 (ending February 2019)	FY2019 (ending February 2020)	Total
Increase in floor area	2	2	4	8
Renewal	15	10	10	35
Total	17	12	14	43

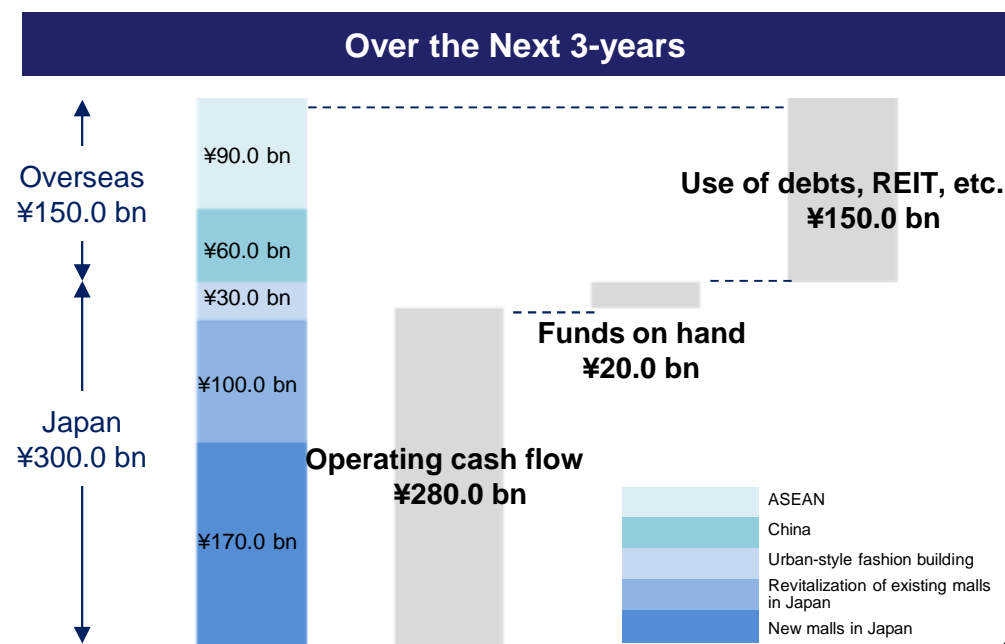
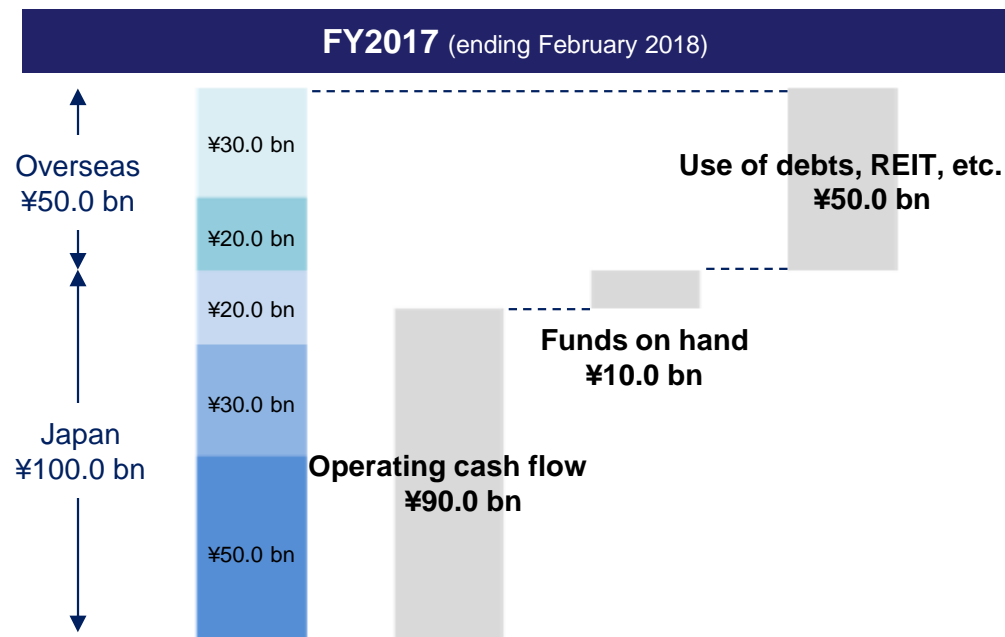
- Ø Full-fledged focus on overseas markets demonstrated by overseas mall openings that will exceed that of Japan.
- Ø Domestically, revitalization measures will be implemented at 10 + existing malls annually. Additionally, 8 malls scheduled for expanded floor space over the next 3-years.

## ◆ Capital Investment

	FY2017 (ending February 2018)	Total for three years
Capital investment	¥150.0 bn	¥450.0 bn
Japan	¥100.0 bn	¥300.0 bn
Store openings of new malls	¥50.0 bn	¥170.0 bn
Revitalization of existing malls	¥30.0 bn	¥100.0 bn
Urban-style fashion building	¥20.0 bn	¥30.0 bn
Overseas	¥50.0 bn	¥150.0 bn
China	¥20.0 bn	¥60.0 bn
ASEAN	¥30.0 bn	¥90.0 bn
Depreciation *	¥43.0 bn	¥150.0 bn

\*Including depreciation of long-term prepaid expenses.

## ◆ Financing Plans and Investment Breakdown



Ø Domestically, allocation of investment in existing malls will allow for acceleration in floor expansion efforts and store revitalization (renewal) measures.

Ø Net Debt-to-Equity ratio of approximately 1.0 times is targeted as a financial discipline.

Ø Overall financial balance to be secured through the use of debt financing, REITs and/or leasing.

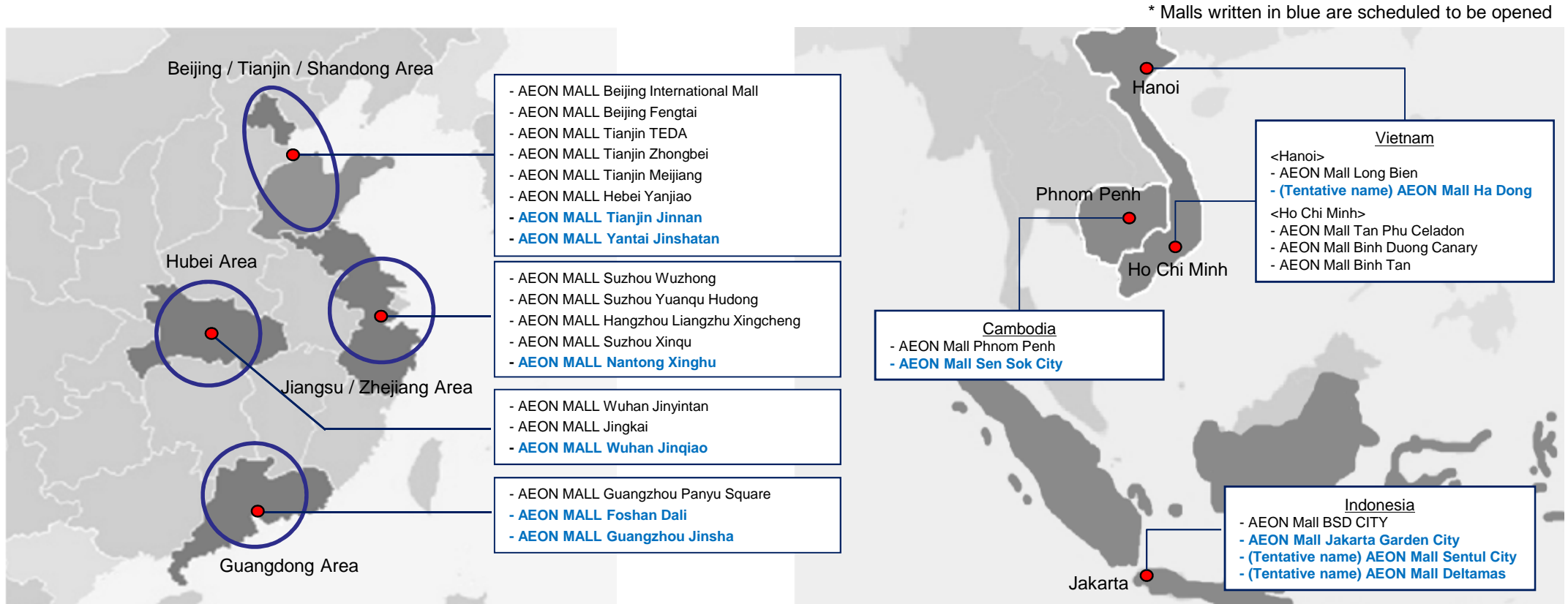


# Overseas Business (CHINA , ASEAN)

<p style="text-align: center;"><b>(1)</b> <b>Capturing Asian Growth Opportunities</b></p>	<p><b>I. Reaping benefits of rising brand penetration (via area-dominant strategy)</b>  <b>II. Development and management of superior malls</b>  <b>III. Measures to increase operating revenues</b>  <b>IV. Promotion of local management</b></p>
<p style="text-align: center;">(2) Development of Latent Sources of Domestic Demand</p>	<p>I. Capitalizing on consolidation of commercial property sector                  II. Development of new MD                  III. Development of new formats</p>
<p style="text-align: center;">(3) Becoming the Overwhelmingly Dominant Mall in Each Region</p>	<p>I. Floor expansion and effective revitalization measures                  II. Increase earnings via enhancement of customer drawing power                  III. New mall openings in untapped territory                  IV. Improvement of ES for tenants</p>
<p style="text-align: center;">(4) Capturing Urban Growth Opportunities</p>	<p>I. Establishment of branding for new OPA                  - Development of new format in urban locations                  - Promotion of renewal of existing stores and strategic S&amp;B/refining                  - Opening of New Stores in urban areas</p>
<p style="text-align: center;">(5) Optimal Financing Mix / Organizational Structures to Support Growth</p>	<p>I. Financing to support growth business model                  II. Promotion of diversity management</p>

I. Reaping Benefits of Rising Brand Penetration (via Area-Dominant Strategy)

Strategic area	Improvement of leasing conditions	Benefits of Suzhou Area Dominant Strategy
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\* Malls written in blue are scheduled to be opened

**Area-dominant strategy being implemented in 4 Chinese regions and 3 countries in ASEAN**

I. Reaping Benefits of Rising Brand Penetration (via Area-Dominant Strategy)

Strategic area

Improvement of leasing conditions

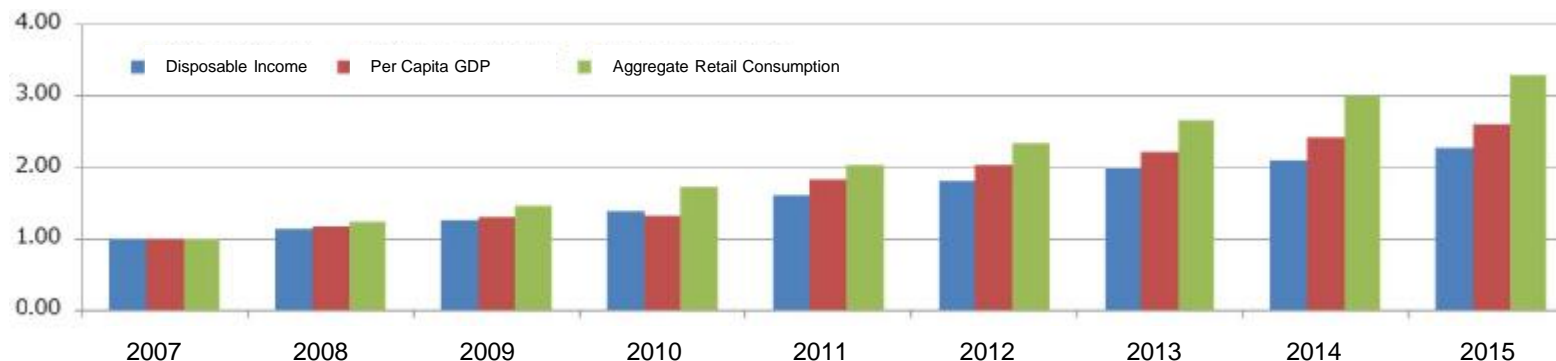
Benefits of Suzhou Area Dominant Strategy

**[Locations for Store Launches]**  
**Areas where economic growth can be expected and where a mall business can be expected to be viable.**  
 → ① Expanding middle-income class      ② Advancing motorization  
 ③ Advancing regional development      ④ Lack of competing retail facilities

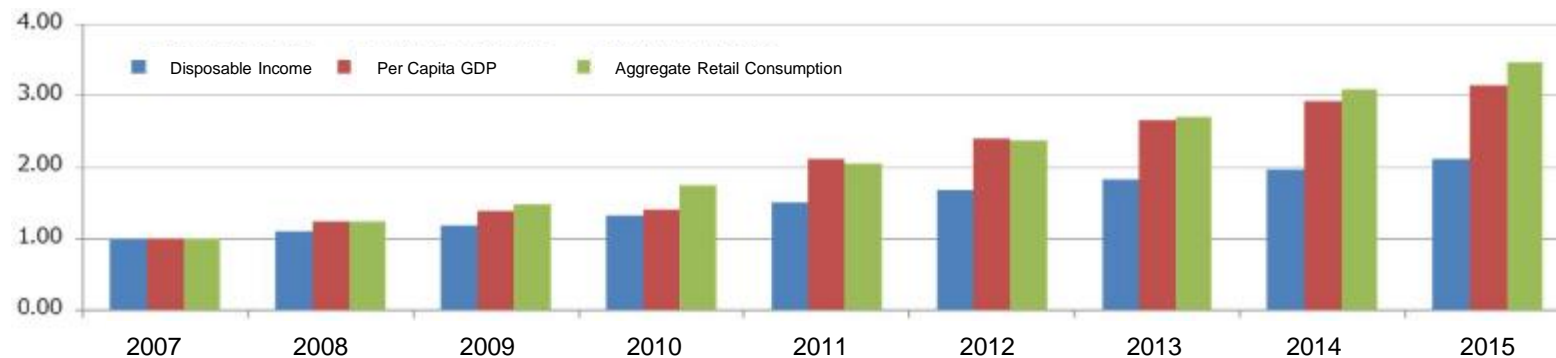
**Growth in Disposable Income / Per Capita GDP / Aggregate Retail Consumption**

※2007 indexed at 1.00.

◆ **Jiangsu**



◆ **Hubei**



I. Reaping Benefits of Rising Brand Penetration (via Area-Dominant Strategy)

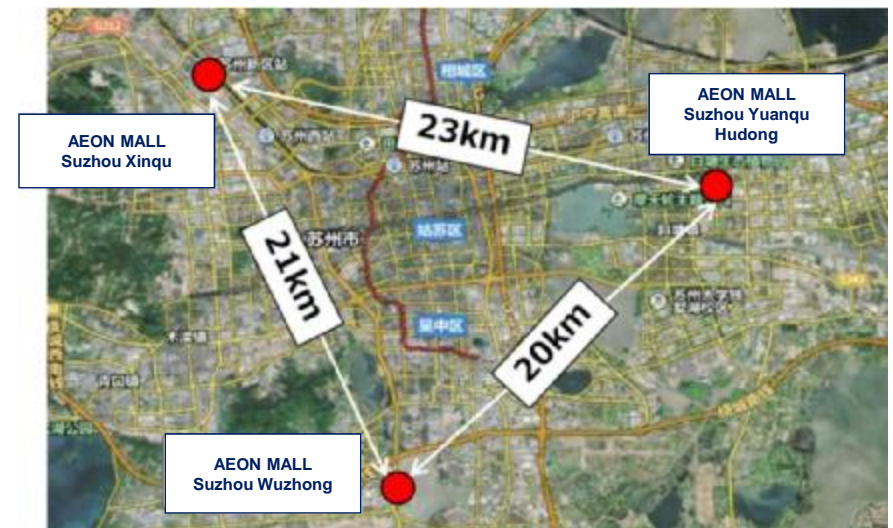
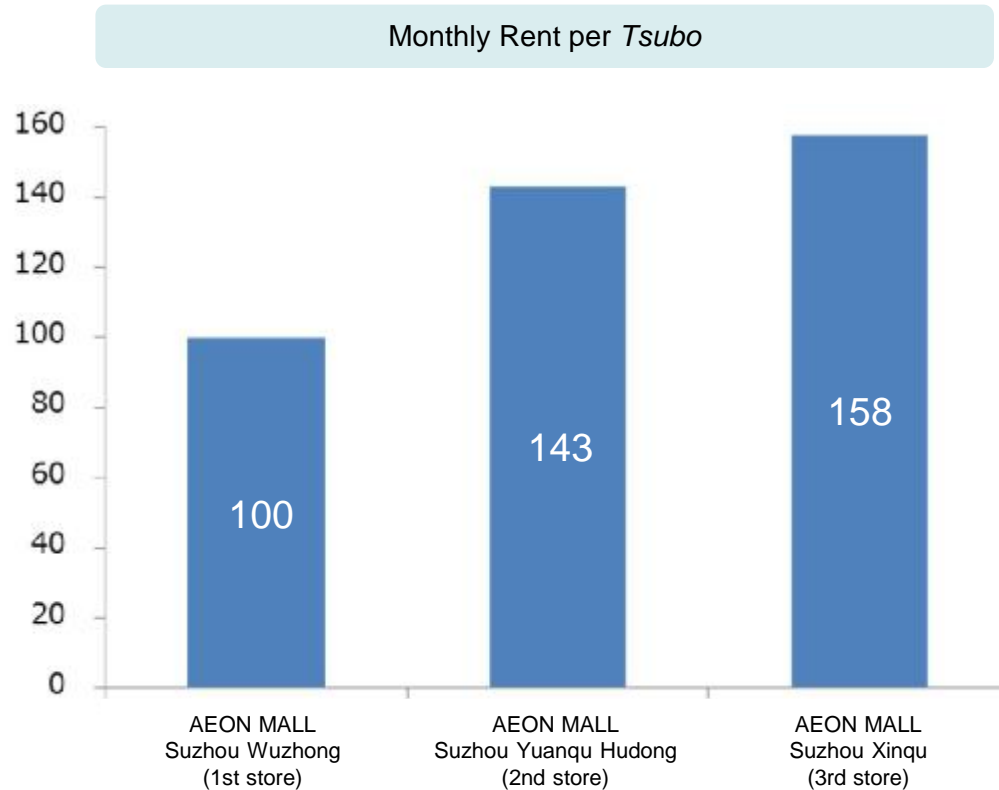
Strategic area

Improvement of leasing conditions

Benefits of Suzhou Area Dominant Strategy

Comparison of Leasing Conditions: 3 Malls in the Suzhou Area

(May comparison following opening, Suzhou Wuzhong indexed at 100)



Monthly rent per *tsubo* for specialty stores at Suzhou Xinqu (3rd store) is about **1.6 times** that of Suzhou Wuzhong (1st store).

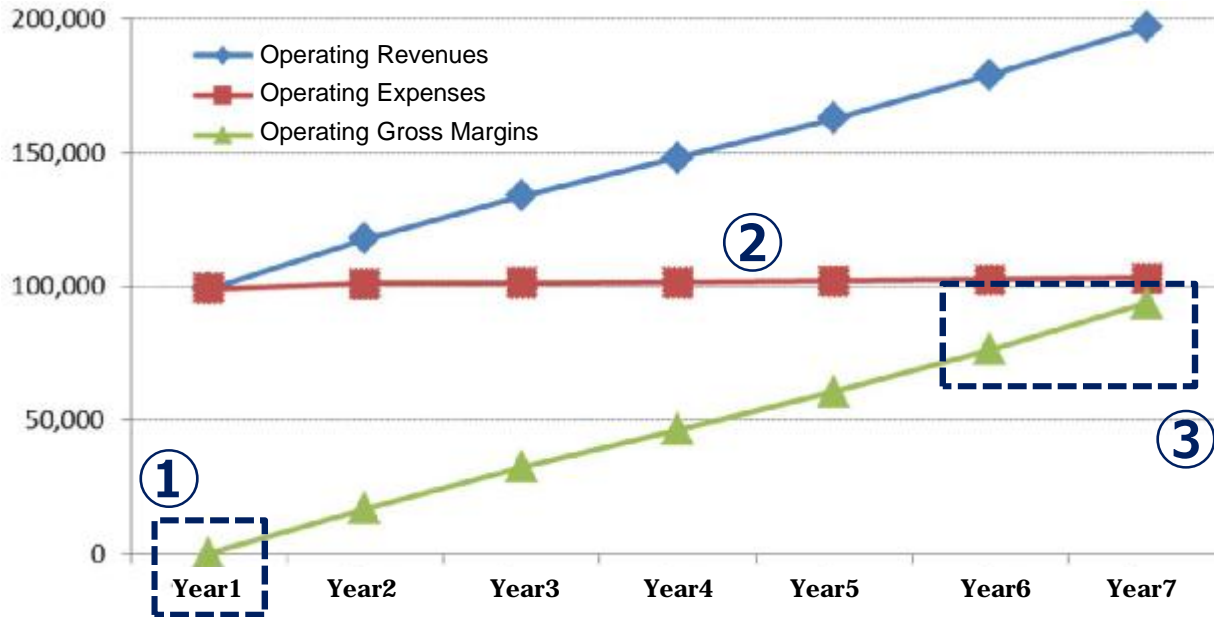
## I. Reaping Benefits of Rising Brand Penetration (via Area-Dominant Strategy)

Strategic area      Improvement of leasing conditions      **Benefits of Suzhou Area Dominant Strategy**

### Aeon Mall Suzhou Xinqu (Jan 2016 opening)



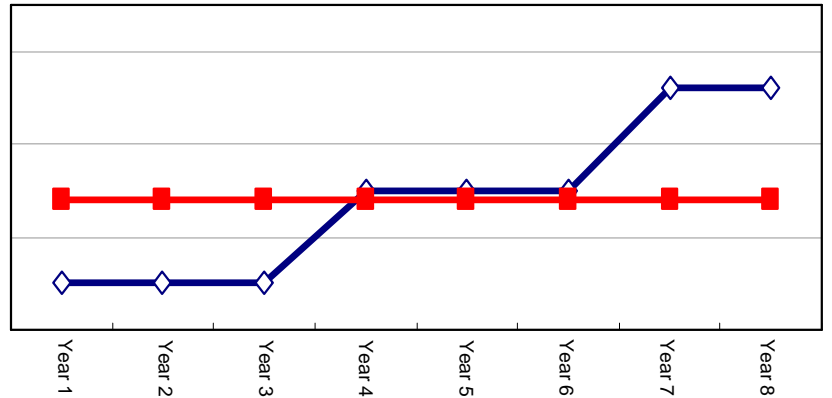
(Unit : RMB, Ths)



### Average and Staggered Lease Costs

<Comparison>

- ◇ Cash Leasing Cost: Staggered Structure for Actual Payment
- Accounting Leasing Cost: Use of Contract-term Average



### Average Lease Costs

Initially, lease expenses not incurred are recognized for accounting purposes. From year 4, accounting lease costs become lower than actual cash costs.

- ① The 3<sup>rd</sup> mall in the area, branding penetration has benefited leasing terms and top-line revenues have exceeded forecasts. Year 1 profitability achieved.
- ② For accounting purposes, real estate costs (proprietor lease fees) are averaged over the term of the non-cancellable term of the contract (8-years). Thus, operating expenses are held flat.
- ③ Looking forward, assuming top-line growth remains in-line with forecasts, profit generation expected to match Japan domestic malls (over 1bn JPY at gross operating profit base) in 6~7 years.

## II. Development and Management of Superior Malls

(1) Large-scale parking spaces in line with motorization



(2) Ability to organize a store floor that is suitable for the destination



(3) Meet the demand for experimental consumption by strengthening entertainment



(4) Holding events that will attract customers



(5) Pursuit of comfortable, safe and secure facilities



"There are a lot of mirrors in the toilets. Chairs are also provided."

## III. Measures to Increase Operating Revenues

Increase in area marketing capability

Increase in floor value

Increase in incidental income

Conducting promotion/events by area, not by individual stores

Buying inclination to be increased

**Rate of buying, number of items purchased and sales per customer to be increased**

### Conduct of sales by area

#### ◆ China: Jiangsu and Zhejiang area

In late August to September 2016, a summer festival specific to Japan was held jointly by the four malls.



In December 2016, a joint event was held with Alipay.



#### ◆ ASEAN: Ho Chi Minh area



Upon the opening of AEON Mall Binh Tan in July 1, 2016, a joint sale to commemorate the opening was conducted by the three malls in the Ho Chi Minh area.



In Vietnam, a Black Friday sale was vigorously conducted.



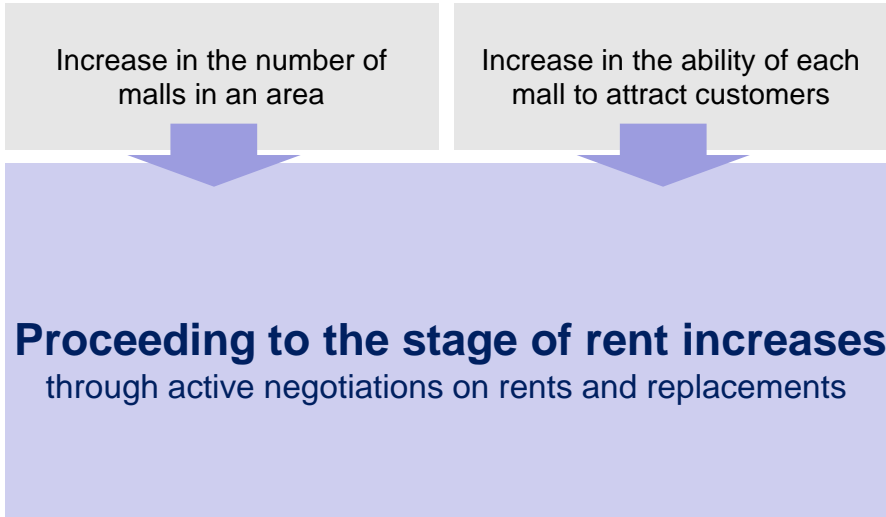


III. Measures to Increase Operating Revenues

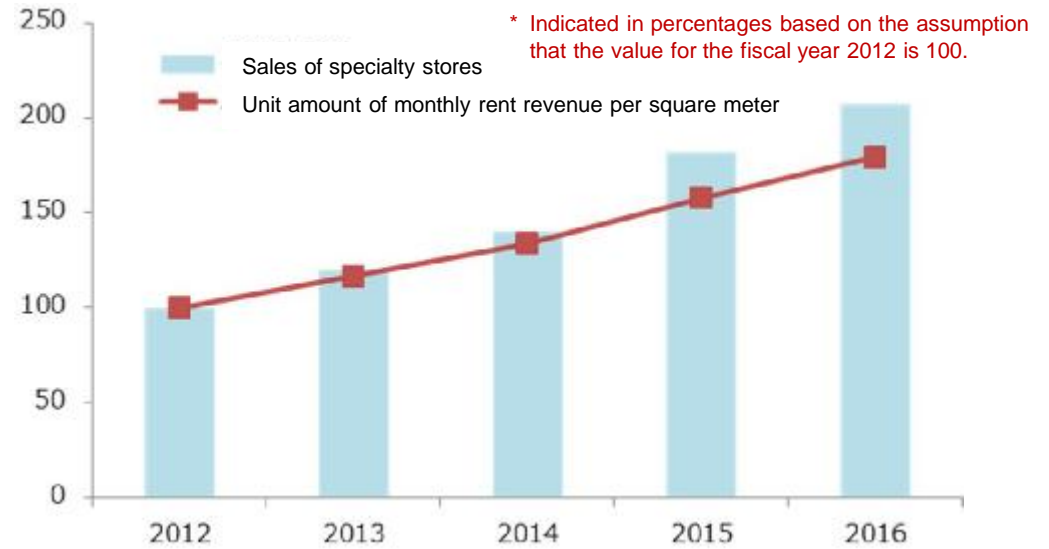
Increase in area marketing capability

Increase in floor value

Increase in incidental income



◆ AEON Mall Beijing International:  
Change in sales of specialty stores and monthly rent revenue per square meter



Meeting for invitation of tenants

AEON Mall Tianjin Jinnan (to be opened in September 2017)

Participation of 440 tenant companies; 660 persons in total (178 merchandising business companies, 262 restaurants and other companies)



AEON Mall Nantong Xinghu (to be opened in December 2017)

Participation of 362 tenant companies; 474 persons in total (206 merchandising business companies, 156 restaurants and other companies)



### III. Measures to Increase Operating Revenues

Increase in area marketing capability

Increase in floor value

Increase in incidental income

Ability to attract customers and branding ability

Use of the areas of a mall as media (for advertising)

**Increase in ancillary revenue**

#### Use of the areas of a mall

China: fee-charging event using the events space



Cambodia: ornaments with sponsors



IV. Promotion of Localization of Management

Training of Tenant Employees

Holding of role-play meeting



AEON Mall Wuhan Jingkai



AEON Mall Phnom Penh

Fire drill

(AEON Mall Phnom Penh)



Training of Company Employees

Hands-on training at AEON Mall Kurashiki

(AEON Mall Indonesia)



Training at headquarters in ASEAN



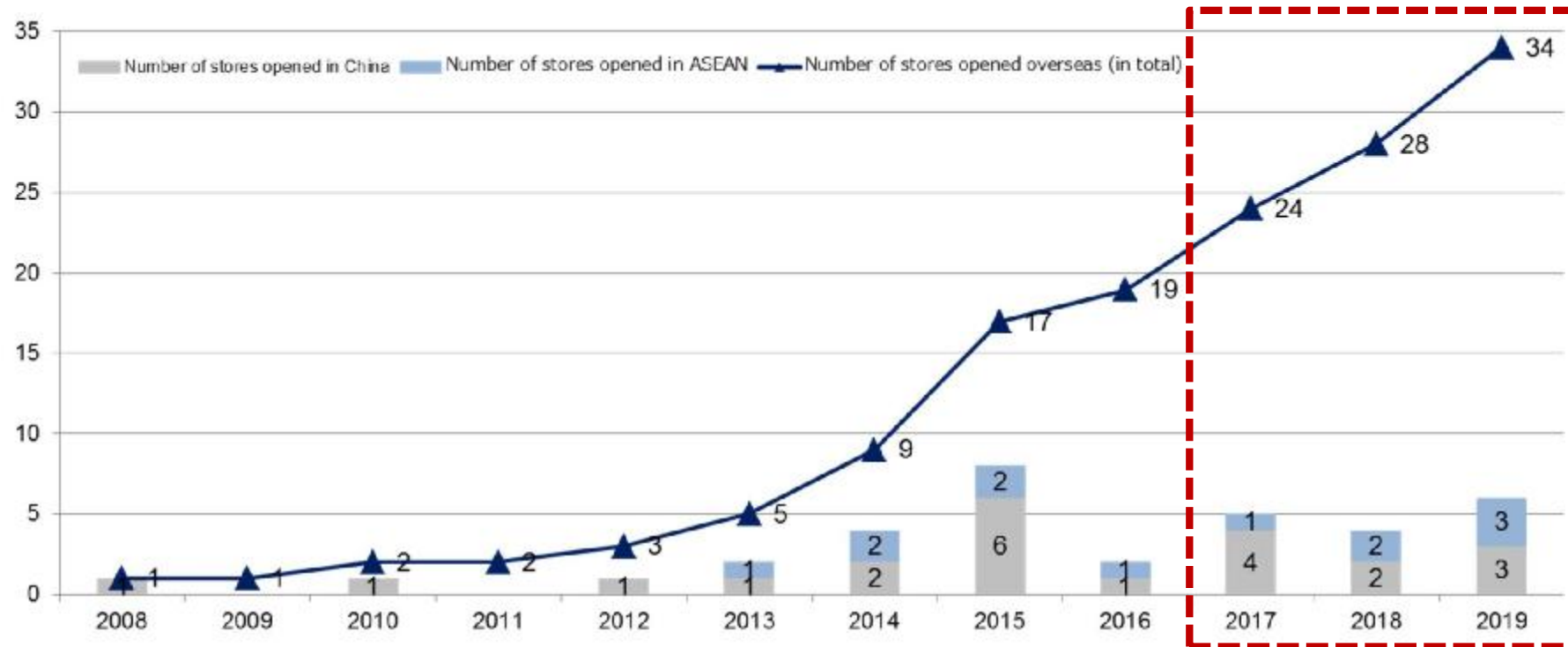
**Strengthening of overseas management and administrative expertise via enhancement of local involvement in mall operations.**

# (1) Capturing Asian Growth Opportunities



## New Mall Openings: Medium-term Plan

	End of FY2016	3-year Plan			Total for 3-years	End of FY2019
		FY2017	FY2018	FY2019		
Overseas	19	5	4	6	15	34
China	13	4	2	3	9	22
ASEAN	6	1	2	3	6	12



**Over the next 3-years, a total of 15 new malls - 9 in China and 6 malls in ASEAN, are planned.**



# (1) Capturing Asian Growth Opportunities



## Beijing and Tianjin Areas

### <Store openings in the Beijing area and Shandong Province>



\* The stores shown in red are scheduled to be opened.

### <Store openings in the Tianjin area>



\* The stores shown in red are scheduled to be opened.

### AEON Mall Yantai Jinshatan



### AEON MALL Tianjin Jinnan



	Date of opening	Ground area	Total area for rent	Number of parking lots	Number of specialty stores
AEON MALL Tianjin Jinnan	FY2017	Approx. 91,000 m <sup>2</sup>	Approx. 77,000 m <sup>2</sup>	Not disclosed	Approx. 230 stores
AEON Mall Yantai Jinshatan	FY2018	Approx. 111,000 m <sup>2</sup>	Approx. 79,000 m <sup>2</sup>	Approx. 2,800 vehicles	Not disclosed

## Jiangsu and Zhejiang Areas

### <Store openings in Jiangsu and Zhejiang Provinces>



\* The stores shown in red are scheduled to be opened.

### AEON MALL Nantong Xinghu



Located in the economic-technological development area (national development zone) 12 kilometers southeast of the center of Nantong City, which is developing at the fastest pace in the city. In the surrounding area, in addition to offices and residences, the number of educational facilities and other public facilities has been increasing.

	Date of opening	Ground area	Total area for rent	Number of parking lots	Number of specialty stores
AEON MALL Nantong Xinghu	FY2017	Approx. 113,200 m <sup>2</sup>	Approx. 84,000 m <sup>2</sup>	Approx. 2,800 vehicles	Not disclosed

# (1) Capturing Asian Growth Opportunities



## Hubei Area

### <Store openings in Hubei Province>



### AEON MALL Wuhan Jinqiao



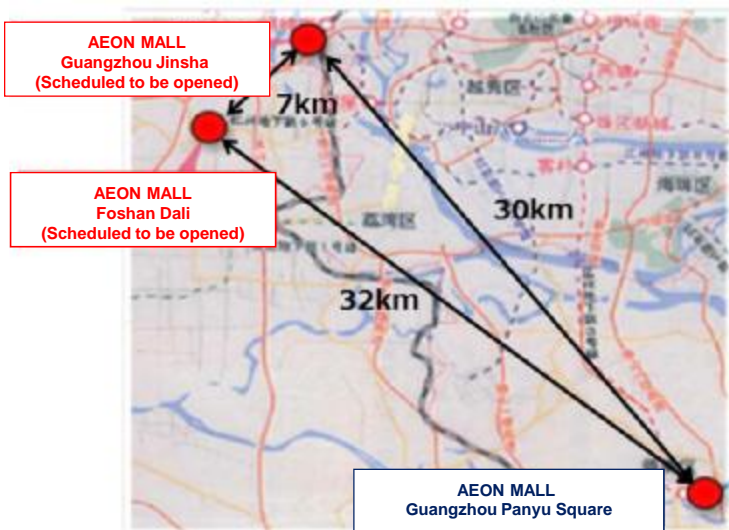
Located in the north of Hankou, the commercial center of the city of Wuhan. Many high-rise buildings are being built in the surrounding area. This is the area that is expected to grow into a bedroom town in the center of the Hankou area.

	Date of opening	Ground area	Total area for rent	Number of parking lots	Number of specialty stores
AEON MALL Wuhan Jinqiao	FY2017	Approx. 46,200 m <sup>2</sup>	Not disclosed	Approx. 1,900 Vehicles	Not disclosed

\* The stores shown in red are scheduled to be opened.

## Guangdong Area

### <Store openings in Guangdong Province>



### AEON MALL Foshan Dali



Located in Nanhai District adjacent to Guangzhou City, near the Dali interchange of the Guang'fo expressway connecting Guangzhou City and Foshan; anticipated to attract customers from a wide area.

### AEON MALL Guangzhou Jinsha



	Date of opening	Ground area	Total area for rent	Number of parking lots	Number of specialty stores
AEON MALL Foshan Dali	FY2017	Approx. 83,200 m <sup>2</sup>	Not disclosed	Approx. 3,200 vehicles	Not disclosed
AEON MALL Guangzhou Jinsha	FY2018	Approx. 84,500 m <sup>2</sup>	Not disclosed	Approx. 3,600 vehicles	Not disclosed

\* The stores shown in red are scheduled to be opened.

Vietnam

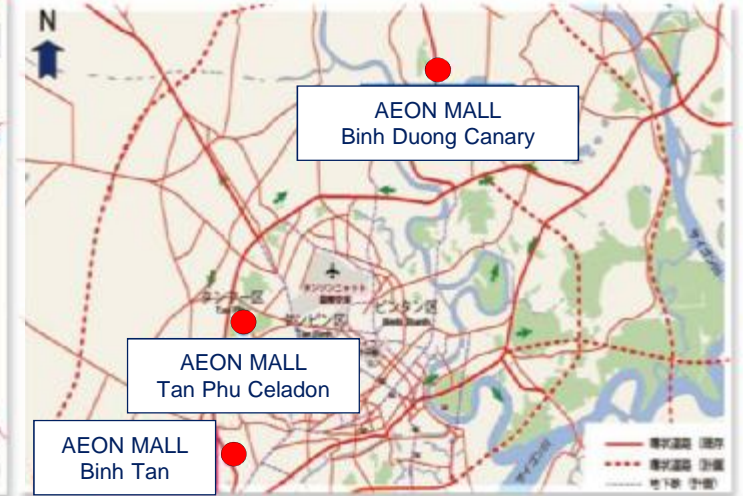


<Hanoi Area>

\* The stores shown in red are scheduled to be opened.



<Ho Chi Minh Area>



	Date of opening	Ground area	Total area for rent	Number of parking lots	Number of specialty stores
AEON Mall Hadong (tentative name)	FY2019	Approx. 95,000 m <sup>2</sup>	Not disclosed	Not disclosed	Not disclosed

**Agreement Reached between the Hanoi People's Committee and Aeon Co., Ltd.**  
**"Comprehensive Memorandum of Understanding on Investment and Business Advancement in Hanoi"**



**Outline of Comprehensive Memorandum**

- From 2017 thru 2020, Aeon agrees to advance, via Aeon Group Companies, investments/ business activity toward the modernization of Hanoi. Hanoi, agrees to cooperate to allow for the smooth execution of investments/ business activity.
- For expanded sales of Vietnamese products, Aeon agrees to cooperate in helping advance Vietnamese exports using its domestic/ overseas networks. Aeon further agrees to cooperate with Hanoi's PR activities.
- Scope of Aeon Group's Investments/ Business Activity:
  - ① Retail Business (GMS, SM, CVS)      ② Development, Construction, Management of Malls
  - ③ Finance / Services Businesses      ④ Import/Export of Product and Product Development

**Inclusive of the FY2019 Planned Opening of Aeon Mall HaDong,**  
**Aggressive Advancement of Development of Large-scale Shopping Malls in Hanoi Planned**



## Indonesia



\* The stores shown in red are scheduled to be opened.

**(Tentative Name) Aeon Mall Sentul City (Expected Opening in FY2018)**  
**Launch via Master Lease Arrangement with Local Developer**



**Owner : Sentul City Company (PT SENTUL CITY TBK)**  
 In a development area in Western Java, Bogor (about a 1-hour drive from central Jakarta), Sentul City is developing a roughly 3,000ha project incorporating residences, offices, schools, hospitals, a golf course, a sports facility, and a convention center.

	Date of opening	Ground area	Total area for rent	Number of parking lots	Number of specialty stores
AEON MALL Jakarta Garden City	September, 2017	Approx. 85,000 m <sup>2</sup>	Approx. 63,000 m <sup>2</sup>	Approx. 3,000 vehicles	Approx. 220 stores
AEON MALL Sentul City (tentative name)	FY2018	Approx. 78,000 m <sup>2</sup>	Approx. 71,000 m <sup>2</sup>	Approx. 3,000 vehicles	Approx. 250 stores
AEON MALL Delta Mas (tentative name)	FY2019	Approx. 200,000 m <sup>2</sup>	Not disclosed	Not disclosed	Not disclosed

## Cambodia

\* The stores shown in red are scheduled to be opened.



### AEON MALL Sen Sok City



Located about 10 kilometers north of the center of Phnom Penh. Housing development is underway in the area surrounding the planned site. Good access not only from neighboring areas, but also from the center of Phnom Penh.

	Date of opening	Ground area	Total area for rent	Number of parking lots	Number of specialty stores
AEON MALL Sen Sok City	2018 summer	Approx. 100,000 m <sup>2</sup>	Approx. 80,000 m <sup>2</sup>	Cars: approx. 2,500 vehicles Motorcycles: approx. 2,000 units	Approx. 200 stores

JAPAN

## (2) Development of Latent Sources of Domestic Demand

<p>(1) Capturing Asian Growth Opportunities</p>	<p>I. Reaping benefits of rising brand penetration (via area-dominant strategy)            II. Development and management of superior malls            III. Measures to increase operating revenues            IV. Promotion of local management</p>
<p>(2) <b>Development of Latent Sources of Domestic Demand</b></p>	<p><b>I. Capitalizing on consolidation of commercial property sector</b>  <b>II. Development of new MD</b>  <b>III. Development of new formats</b></p>
<p>(3) Becoming the Overwhelmingly Dominant Mall in Each Region</p>	<p>I. Floor expansion and effective revitalization measures            II. Increase earnings via enhancement of customer drawing power            III. New mall openings in untapped territory            IV. Improvement of ES for tenants</p>
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<p>(5) Optimal Financing Mix / Organizational Structures to Support Growth</p>	<p>I. Financing to support growth business model            II. Promotion of diversity management</p>

### SC Industry Comparison with the U.S.

- Large-scale malls in the U.S. are 6.6x that of Japan. Population per mall is 0.4x that of Japan suggesting excess supply overhang in the U.S.
- Large-scale malls per capita remains low in Japan suggesting the SC market is substantially different from the U.S.

#### SC Comparison: Japan vs U.S.

Data as of Dec 2016

	Japan	U.S.	U.S./Japan
Large-scale Mall Count <sup>※</sup>	185	1,222	6.6x
Population (millions)	126.9	323.3	2.5x
Population per Mall (thousands)	690	260	0.4x
Total SC Sales (¥, Billions)	31,325	291,745	9.0x
Total Retail Sales (¥, Billions)	139,855	532,204	3.8x
Share of SC Sales Relative to Total Retail Sales	22.4%	55.4%	2.5x

※Japan data based on 40,000m<sup>2</sup>+. US data based on RSC, SC component of SRSC.

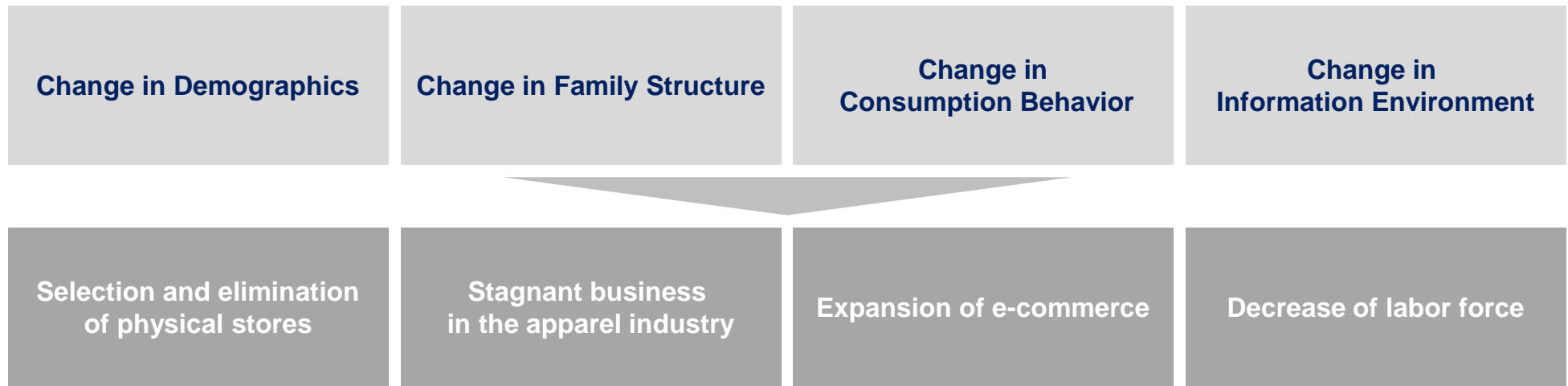
※U.S. Total SC Sales, Total Retail Sales based on US\$ = ¥109.84 (avg. rate for CY2016).

※Source: Japan Council of Shopping Centers, Aeon Mall calculations based on METI "Statistical Research of Commerce Trends."

## (2) Development of Latent Sources of Domestic Demand



### Assessing the Domestic Market



## Exploration of new domestic demand

Penetrating New Customer Markets

Activating Latent Consumption Demand

Capturing Share with Consolidation of Commercial Facilities Market

Development of New MD

Development of New Formats

## (2) Development of Latent Sources of Domestic Demand

### I. Capitalizing on Consolidation of Commercial Property Sector



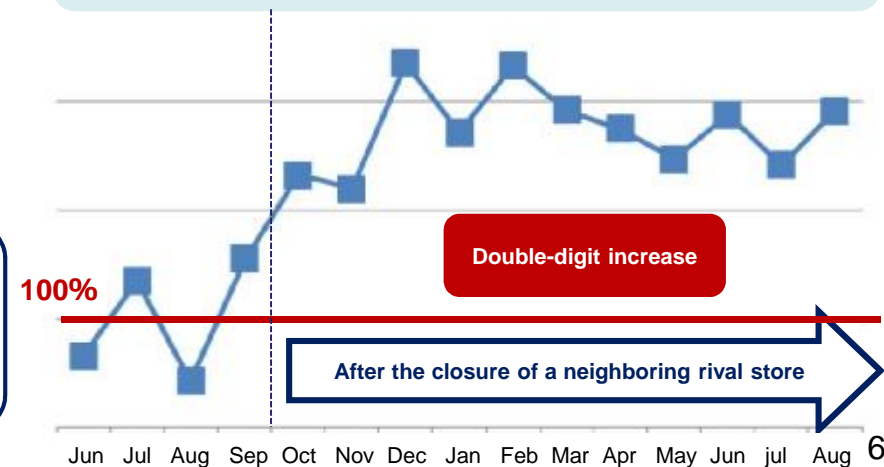
#### Case Study (AEON MALL Asahikawa-Ekimaie): Withdrawal of a large-scale rival store

September 2016: A neighboring rival store (department) was closed.

November 2016: New brands were offered in four existing stores. In addition, four new stores were opened.

- Ø Efforts made to attract major tenants that had operated in the neighboring rival store.
- Ø Number of brands such as cosmetics and miscellaneous goods promoted by the mall increased thanks to the cooperation of specialty stores.

**Increase in sales in specialty stores after the closure of a neighboring rival store: 117.7%**  
(During the period from October 1, 2016 to August 31, 2017)



## (2) Development of Latent Sources of Domestic Demand

### II. Development of New MD

#### Evolution of a mall-in-mall concept

**(Example) Initiatives implemented for the food sales zone on the first floor of AEON MALL Nagakute**



#### Creation of a Massive Food Zone

Located on the 1<sup>st</sup> Floor, combines GMS groceries with tenant operated cuisine food shops.

Development of new zoning, tenant mix, and other content via AEON Doyutenkai (tenant store association comprised of approximately 8,000 members)

**(Examples) Response to senior needs**

↳ **Initiatives from the perspective of consideration for the elderly**

- Creation of senior-conscious zones (malls within the mall)
- Cultivation of senior-oriented tenants



Clinics mall



Large restaurants with private rooms



financial mall



fitness

#### Cultivation and development of new clients

- Scouting of candidates of future national chain stores
- Scouting of tenants from the perspective of localization

#### Introduction of major content in association with the expansion of overseas business

- Introduction of major overseas tenants
- Implementation of zoning and marketing overseas

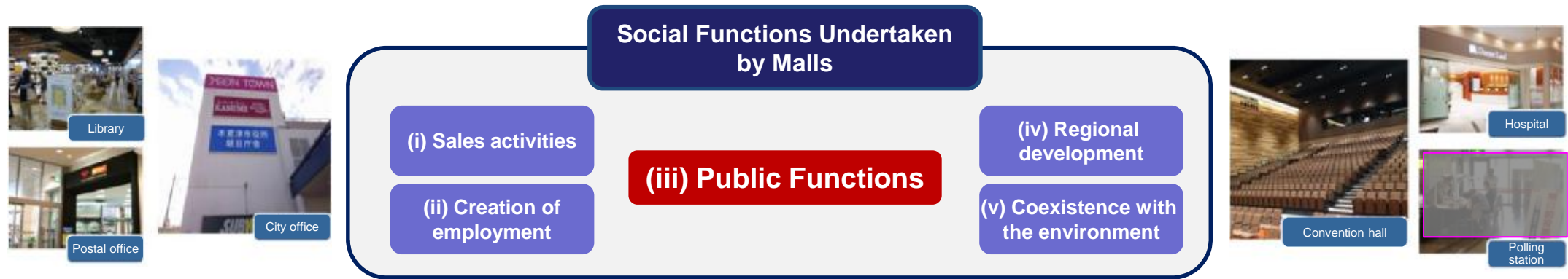
#### Okaidi・Obaibi

The brand of a French creator of clothing for infants. The company opened its first store at AEON MALL Makuhari New City on April 10, 2017, followed by its second store that was opened at AEON Lake Town.

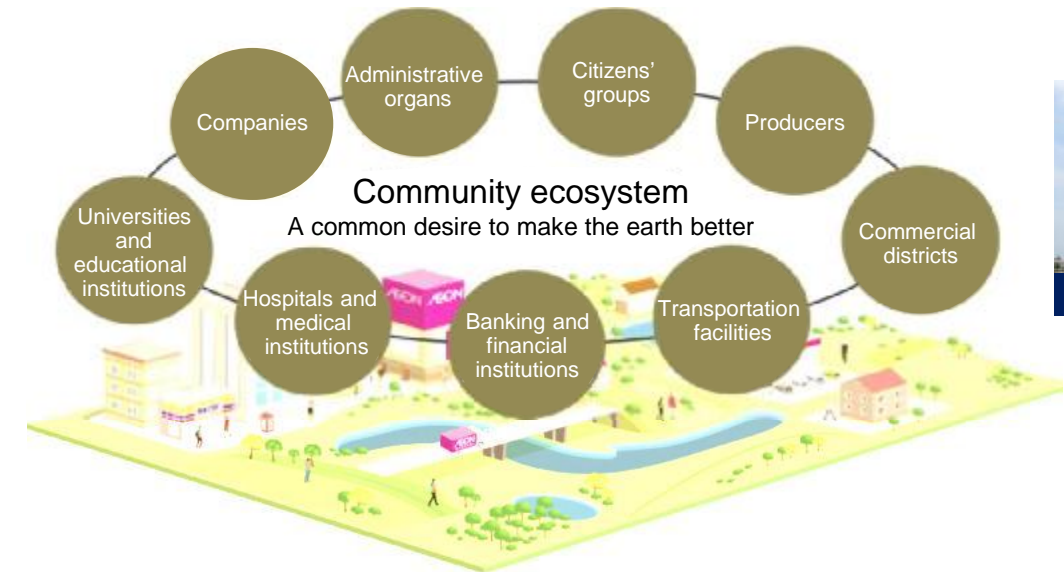


## (2) Development of Latent Sources of Domestic Demand

### III. Development of New Formats

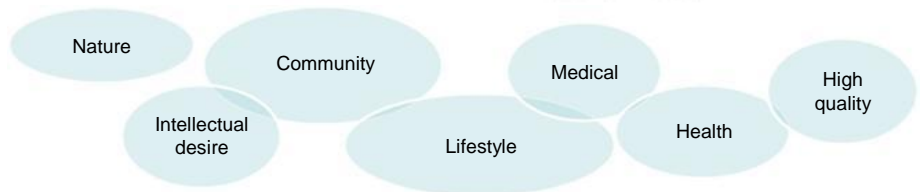
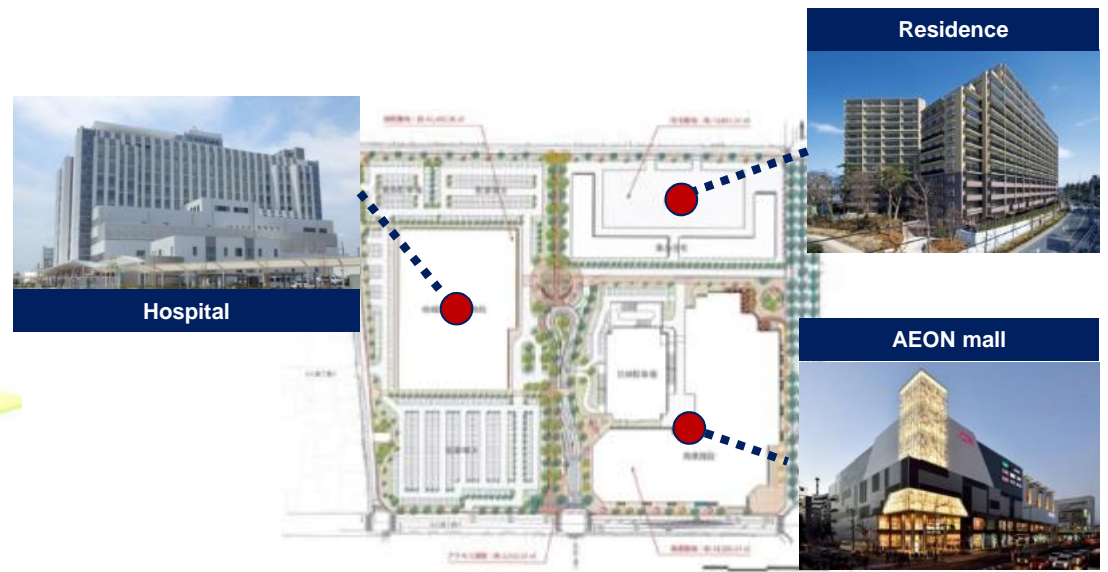


#### Concept of a community ecosystem



New comprehensive efforts to develop and contribute to communities together with community members with a view to addressing the new values of communities and their residents.

#### Conceptual image of a mixed-use development





### (3) Becoming the Overwhelmingly Dominant Mall in Each Region



<p>(1) Capturing Asian Growth Opportunities</p>	<p>I. Reaping benefits of rising brand penetration (via area-dominant strategy)                  II. Development and management of superior malls                  III. Measures to increase operating revenues                  IV. Promotion of local management</p>
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# (3) Becoming the Overwhelmingly Dominant Mall in Each Region



## I. Floor Expansion and Effective Revitalization Measures

Approach to Revitalization

GMS renewal coinciding with mall revitalization

### U 3-Year Revitalization Plan

	FY2017	FY2018	FY2019	3-Year Total
Expansion of floor area	2 malls	2 malls	4 malls	8 malls
Renewal	15 malls	10 malls	10 malls	35 malls

\* Excludes large commercial facilities of AEON Retail Co., Ltd.

**U Approach to revitalization** The average age of AEON MALL buildings is 10.3 years. Their value will be increased through revitalization.  
 - We are implementing the large-scale revitalization (renewal) of existing shopping malls and increasing their appeal and freshness to improve their earning power. -

Revitalization =

**Creation of needs to generate the “+α”**

Creation of categories that attract new customer groups

Creation of categories that create new needs

**AEON MALL Hiroshima Fuchu**  
 (Grand opening after expansion of floor area on Nov. 18, 2016)



**ROJI Dining**



**Mama Toko Town**



**YoY change in sales at specialty stores after expansion of floor area: 140.9%** (Period from Nov. 18, 2016 to August. 31, 2017)



**Food**

= Enhancement of restaurant zone

+

Enhancement of food sales zone

**Kids**

= Largest kids' amusement facilities in Chugoku Shikoku area

**Creation of dominant categories in “Food” and “Kids”**

### (3) Becoming the Overwhelmingly Dominant Mall in Each Region



## I. Floor Expansion and Effective Revitalization Measures

### Approach to Revitalization

### GMS Renewal Timed with Mall Revitalization

#### **AEON MALL Kofu Showa** Autumn of 2017 building with additional floor space opens.



Opening:	March, 2011
Site area:	119,000m <sup>2</sup>
Total leasing area:	70,000 m <sup>2</sup> (+22,000 m <sup>2</sup> )
Parking:	3,500 cars (+1,000 cars)
Specialty stores:	200 stores (+70 stores)

#### **AEON MALL Miyazaki** Spring of 2018 building with additional floor space opens.



Opening:	May, 2005
Site area:	200,000m <sup>2</sup>
Total leasing area:	84,000 m <sup>2</sup> (+14,000 m <sup>2</sup> )
Parking:	4,300 cars (+300 cars)
Specialty stores:	240 stores (+70 stores)

**Expanding the floor area of malls that are already No. 1 in their region.  
Further Enhancing Dominant No. 1 Position**

### (3) Becoming the Overwhelmingly Dominant Mall in Each Region

#### I. Floor Expansion and Effective Revitalization Measures

Approach to Revitalization

GMS Renewal Timed with Mall Revitalization

#### (1) Improvement in convenience of shopper movement from mall

Before



Divided into mall and GMS

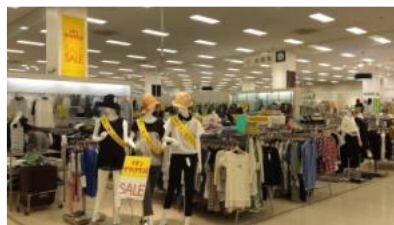
Most recent AEONSTYLE



Mall walkways lead naturally into GMS, improving convenience of shopper movement

#### (2) Addition of strong products to improve performance

Before



Most recent AEONSTYLE

AEONSTYLE Nagakute (@AEON MALL Nagakute)



# (3) Becoming the Overwhelmingly Dominant Mall in Each Region



## II. Increase Earnings via Enhancement of Customer Drawing Power

### ◆ Increased promotion of events

Expansion of live entertainment market

Decrease in event venues due to temporary reconstruction, recovery and reinforcement work

**Promotion of More Events**

(1) Focus on entertainment



(2) Staging of cultural events



(3) Collaboration with community

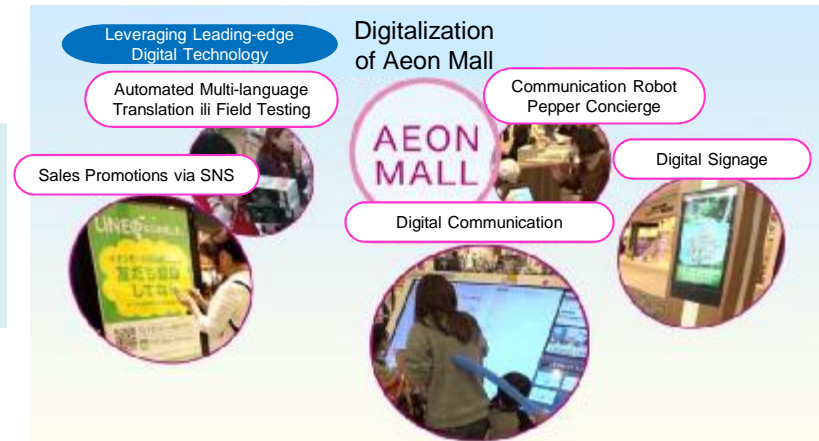


### ◆ Addition of new mall functions through the utilization of digital technology

Penetration of digital technology into daily life

Further development of digital technology

**Addition of new mall functions through the utilization of digital technology**



### ◆ Expansion of incidental income

**Further strengthen ability to attract around 1.1 billion customers per year**

Tenant leasing that meets community needs

Increased promotion of events

Increase in freshness of malls through revitalization

Addition of new mall functions through the use of digital technology

### Increase in Ancillary Revenue

- Staging of events in event space AEON HALL
- Utilization of mall space as advertising media
- Utilization of digital signage as advertising media



### (3) Becoming the Overwhelmingly Dominant Mall in Each Region



#### III. New Mall Openings in Untapped Territory

##### U 3-Year Plan for New Mall Openings

	End of FY2016	3-Year Plan			3-Year Total	End of FY2019
		FY2017	FY2018	FY2019		
Mall	147	5	4	2	11	158
Fashion building	20	2	2	1	5	25

##### U FY2017 Plan for New Mall Openings In Japan

\* Only new malls already announced are included above.

	Name of facility	Location	Scheduled opening date	Site area	Total leasing area	Parking
FY2017	Shopping mall					
	AEON MALL Shin Komatsu	Komatsu, Ishikawa Pref.	March 24, 2017	128,000 m <sup>2</sup>	63,000 m <sup>2</sup>	3,400 cars
	AEON SENRITO Senmonkan (Master lease)	Toyonaka, Osaka Pref.	April 21, 2017	12,200 m <sup>2</sup>	9,100 m <sup>2</sup>	400 cars
	AEON MALL Tokushima *	Tokushima, Tokushima Pref.	April 27, 2017	50,000 m <sup>2</sup>	50,000 m <sup>2</sup>	3,100 cars
	AEON MALL Kobe Minami	Kobe, Hyogo Pref.	September 20, 2017	38,000 m <sup>2</sup>	39,000 m <sup>2</sup>	1,400 cars
	AEON MALL Matsumoto	Matsumoto, Nagano Pref.	September 21, 2017	62,500 m <sup>2</sup>	49,000 m <sup>2</sup>	2,300 cars

	Name of facility	Location	Scheduled opening date	Site area	Total leasing area	Parking
FY2017	Urban Style Fashion Building					
	Mito OPA (Master lease)	Mito, Ibaraki Pref.	March 18, 2017	3,500 m <sup>2</sup>	12,500 m <sup>2</sup>	1,500 cars
	Takasaki OPA	Takasaki, Gunma Pref.	October 13, 2017	7,400 m <sup>2</sup>	26,000 m <sup>2</sup>	7,000 cars

\*Phase One opened in June.

AEON MALL Shin Komatsu



AEON MALL Tokushima



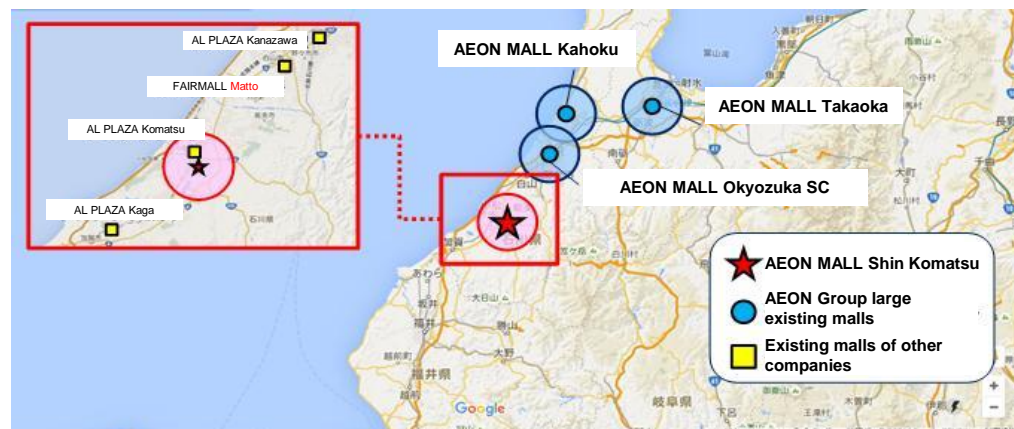
AEON MALL Kobe Minami



AEON MALL Matsumoto



#### ◆ Opening of new malls in areas with no malls



AEON MALL Shin Komatsu

#### IV. Improvement of ES for Tenants

#### ◆ Establishment of Diversity Promotion Council in AEON Doyutenkai (store Association)



- (1) **Employee lounges** where employees can recharge themselves and enjoy some alone-time.
- (2) **Employee benefits** in which time and economic value can actually be experienced.
- (3) **Child-care support** that enables employees with children to work with peace of mind
- (4) **WAON points** awarded to employees according to their attendance
- (5) **Mental and physical support** that results in happy employees



**Promote the creation of facilities that meet the needs of an increasingly diverse society and make working and continuing to work at them easy**

**Create malls that tenants will choose**

## (4) Capturing Urban Growth Opportunities

<p>(1) Capturing Asian Growth Opportunities</p>	<ul style="list-style-type: none"> <li>I. Reaping benefits of rising brand penetration (via area-dominant strategy)</li> <li>II. Development and management of superior malls</li> <li>III. Measures to increase operating revenues</li> <li>IV. Promotion of local management</li> </ul>
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## I. Establishment of Branding for New OPA



It is necessary to correct the mismatch between the market and customer needs.  
Redefinition of conventional fashion building

**Conventional "fashion building"** → **Re-definition**

Shift away from OPA representative of urban fashion buildings toward visionary shopping buildings that offer fresh originality to the next generation and are constantly able to adapt to the changing times

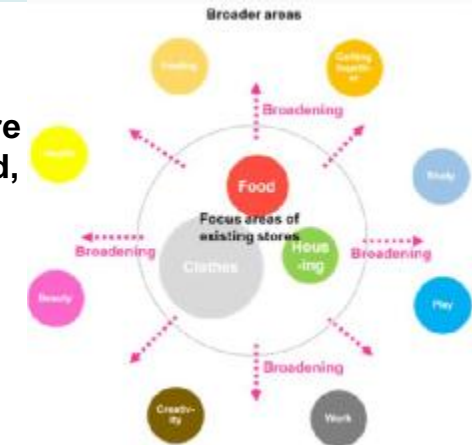
# OPA

### ◆ MD image of new OPA

Proposal of lifestyle where everything :clothing, food, housing is fashion

Fashion is not just apparel, and adapts to the changing values of consumers

Proposal of community-based **LIFE FARMING** according to the location, market and property



### U Plan for openings of new urban fashion buildings in Japan (from FY2017)

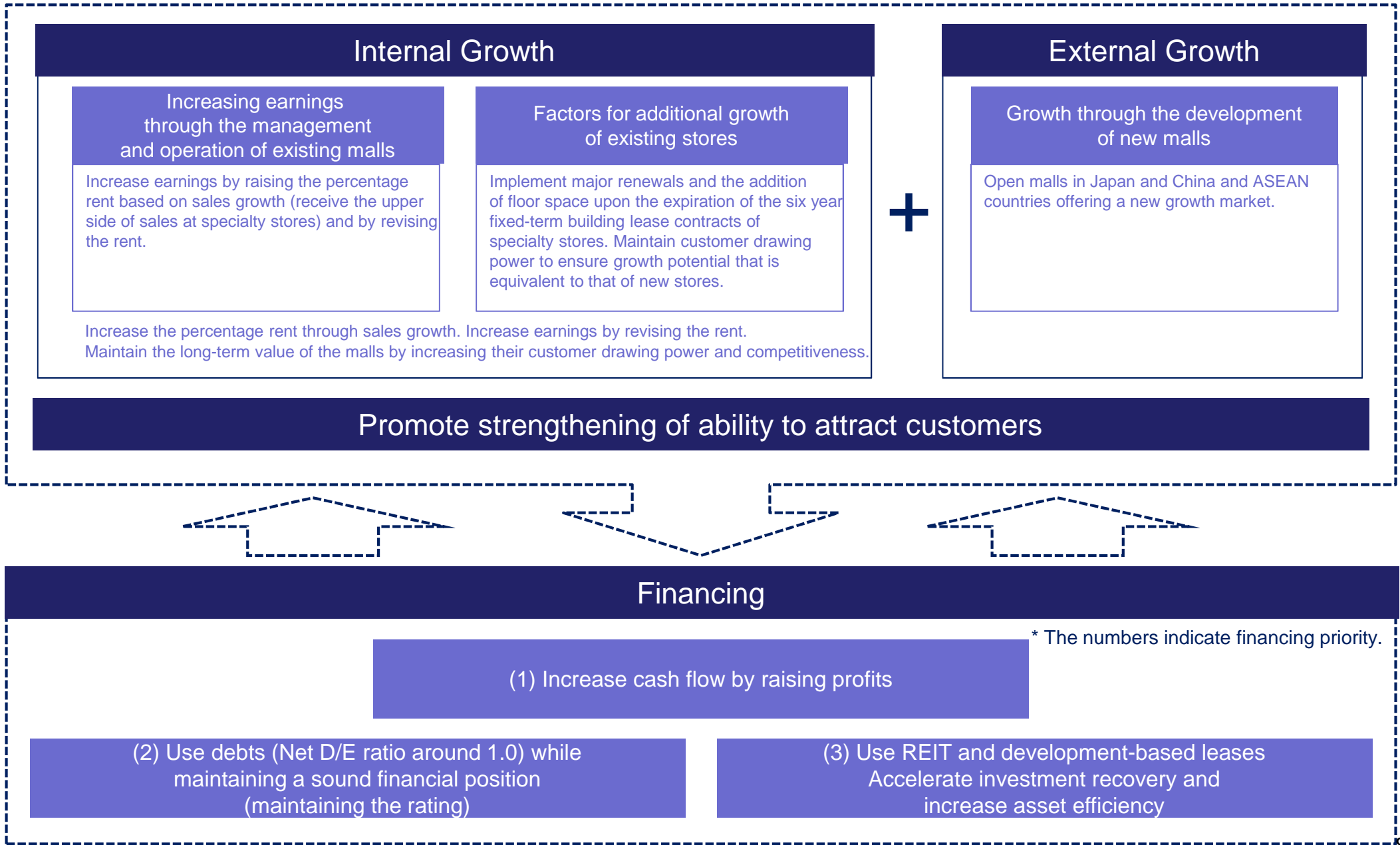
	Name of facility	Location	Scheduled opening date	Site area	Total leasing area	Parking
FY2017	Urban Style Fashion Building					
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	Takasaki OPA	Takasaki, Gunma Pref.	October 13, 2017	7,400 m <sup>2</sup>	26,000 m <sup>2</sup>	* 7,000 cars

※ Parking space data includes space sourced from 3<sup>rd</sup> parties.



<p>(1) Capturing Asian Growth Opportunities</p>	<ul style="list-style-type: none"> <li>I. Reaping benefits of rising brand penetration (via area-dominant strategy)</li> <li>II. Development and management of superior malls</li> <li>III. Measures to increase operating revenues</li> <li>IV. Promotion of local management</li> </ul>
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I. Financing to Support Growth Business Model



## II. Promotion of Diversity Management

### FY2016: Acquired the Level 3 “Eruboshi Certification.”



The Eruboshi certification has three levels based on the number of criteria satisfied. The company received the highest Eruboshi ranking of Level 3.

#### “Eruboshi Certification.”

The Eruboshi company certification is a system established by the Minister of Health, Labour and Welfare to recognize companies that have met the criteria set under the Act on Promotion of Women’s Participation and Advancement in the Workplace and have exhibited superior performance.

Employment	Continuous employment	Work hours and general work style	Percentage of managerial posts	Utilization rate of childcare leave system
Competition in recruitment by gender Male: <b>27.59</b> times Female: <b>25.60</b> times	Average years of service of female workers Average years of service of male workers Continuation Index: <b>1.07</b>	Sum of overtime, holidays and work hours on days off per month of workers by employment management category <b>Less than 45 hours</b> for all months (March 2015 to February 2016)	Percentage of female workers holding managerial posts: <b>13.0%</b>	Percentage of female workers who took childcare leave in the past two years: <b>100.0%</b>

Aeon Yume-Mirai Nursery School opened in AEON MALL Natori (November 18, 2016)

### The first childcare center of the Aeon Group approved for the company-led childcare project implemented by the Cabinet Office

#### Company-led childcare business

Implemented for the purpose of contributing to reducing the number of children on the waiting list for a childcare center and supporting the lifestyle of both managing a career and raising children by increasing childcare services that allow diverse working styles based on company-led, in-house childcare business.



#### **n Aeon Group in-house nursery schools that have been established (as of May 31, 2017)**

- AEON MALL Makuhari New City (approved by Chiba City) •AEON MALL Okinawa Rycom (approved by Kitanakagusuku Village)
- AEON MALL Tokoname (approved by Tokoname City) •Aeon Style Shonan Chigasaki (approved by Chigasaki City)
- Aeon Lake Town Mori (approved by Koshigaya City) •AEON MALL Saga Yamato (approved by Saga City) •AEON MALL Natori (company-led childcare business)
- AEON MALL Nagoya Chaya (company-led childcare business) •AEON MALL Nagakute (company-led childcare business) •AEON MALL Mito Uchihara (company-led childcare business)
- AEON MALL Shin Komatsu (company-led childcare business) •AEON Fukuoka Higashi (company-led childcare business) •AEON TOWN Aira (company-led childcare business)
- AEON MALL Tokushima (company-led childcare business)

\* Two other centers are operated based on alliances with general childcare business operators.

### Selected as a Nadeshiko Brand in FY2016

The “Nadeshiko Brand” program highlights companies listed in the First Section of the Tokyo Stock Exchange from each industry that actively promote the participation of female employees, including creating a supportive working environment. Selected companies can also be considered as “companies with growth potential” in the sense that they have the ability to make use of diverse human resources and the ability to adapt to a changing environment.

#### About the “Nadeshiko Brand” program

The aim of the Nadeshiko Brand is to introduce certain listed companies that are outstanding in terms of encouraging the empowerment of women in the workplace as attractive securities investment opportunities to investors who put emphasis on improving corporate value in the mid- and long-term, in an aim to promote investment in such enterprises and accelerate efforts encouraging women’s success in the workplace Since FY2012, METI and the TSE have been scoring enterprises according to their progress in the encouragement of women’s success while screening them based on financial indicators.



# Business Targets and Guidance (Consolidated)

Current FY2017 (ending-Feb 2018)

	Amount	YoY
Operating Revenue	<b>¥295.0 billion</b>	<b>+9.3%</b>
Operating Income	<b>¥50.0 billion</b>	<b>+11.3%</b>
Ordinary Income	<b>¥48.5 billion</b>	<b>+4.5%</b>
Net income attributable to owners of parent	<b>¥29.5 billion</b>	<b>+3.4%</b>

Capital Expenditure	<b>¥150.0 billion</b>
Depreciation *	<b>¥43.0 billion</b>

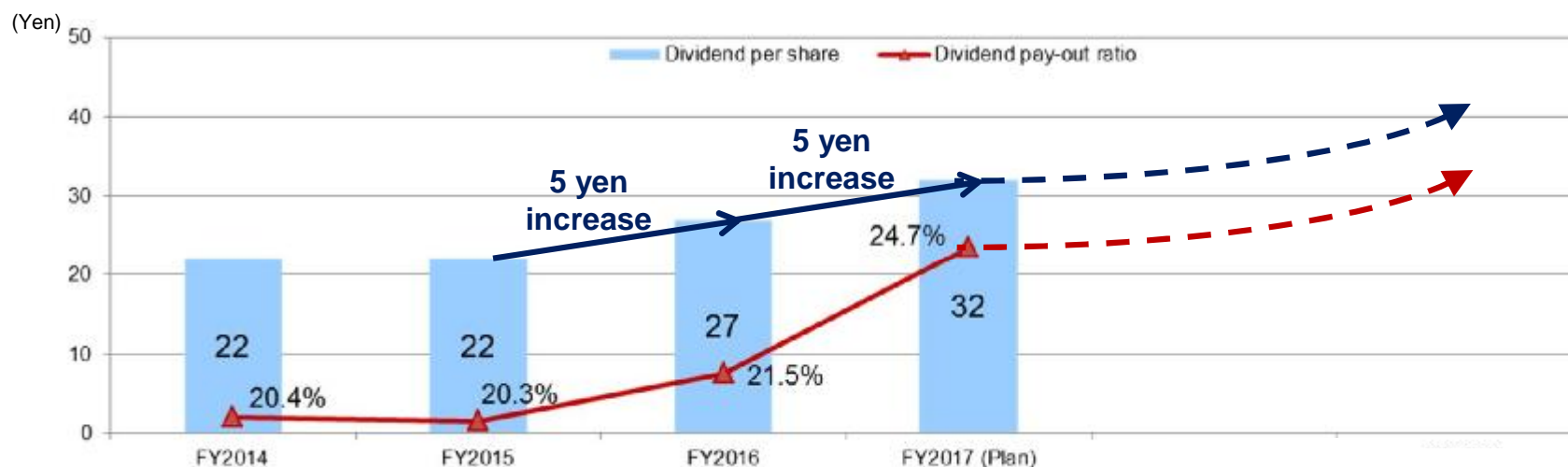
\* FY2016 depreciation under the same conditions, including amortization of long-term prepaid expenses, was ¥42.0 billion.

Profit Sharing

<Basic Policy>

- We consider that it is important to continue to pay dividends to shareholders in a stable manner.
- We spend retained earnings to invest in growth businesses that will bolster our operational bases, new businesses and efforts to strengthen our management structure.
- We maintain a dividend payout ratio of 20% or more.

Fiscal year	Dividend per share			Payout ratio
	Mid-term	Year-end	Full year	
2017 (Plan)	¥16.00	¥16.00	¥32.00	24.7%
2016 (Actual)	¥13.50	¥13.50	¥27.00	21.5%



**In addition to increasing dividends based on profit growth, we aim to achieve a payout ratio of 25% or more in the medium term.**

# Attachment (Mall Data)



# List of Malls (1)



	Shopping malls (Domestic)	Opening	Total leasing area (m <sup>2</sup> )	Parking	Tenants	Land & building ownership	Land lease/ Building ownership	Land & building lease	Property management
1	AEON MALL Kawaguchi	April 1984	34,000	1,300	90			○	
2	Nara Family	November 1992	83,000	2,000	120				○
3	AEON MALL Tsugaru Kashiwa	November 1992	40,000	2,600	90	○			
4	AEON MALL Akita	September 1993	58,000	3,200	150	○			
5	AEON MALL Futtsu	September 1993	28,000	1,400	90			☆	
6	AEON MALL Shimoda	April 1995	59,000	4,000	120	○			
7	Shopping Mall Festa	April 1996	32,000	3,800	90	○			
8	AEON MALL Suzuka	November 1996	70,000	4,200	180			☆	
9	AEON MALL Sanko	December 1996	40,000	2,500	70	○			
10	AEON MALL Uki	November 1997	63,000	3,300	100			☆	
11	AEON MALL Kurashiki	September 1999	83,000	4,700	210			☆	
12	AEON MALL Narita	March 2000	65,000	4,000	170			☆	
13	AEON MALL Okazaki	September 2000	80,000	4,300	170		○		
14	AEON MALL Kawaguchi Maekawa	November 2000	66,000	2,400	170			○	
15	AEON MALL Kochi	December 2000	57,000	3,100	140			○	
16	AEON MALL Niihama	June 2001	66,000	3,500	120		○		
17	AEON MALL Higashiura	July 2001	55,000	5,000	110			☆	
18	AEON MALL Yamato	December 2001	35,000	1,900	90			☆	
19	AEON MALL Takaoka	September 2002	62,000	3,600	130		○		
20	AEON MALL Itami	October 2002	57,000	2,800	150			☆	
21	AEON MALL Morioka	August 2003	52,000	2,600	130			☆	
22	AEON MALL Ota	December 2003	62,000	4,200	150			☆	
23	AEON MALL Kyoto Gojo	March 2004	36,000	1,700	140			☆	
24	AEON MALL Hiroshima Fuchu	March 2004	98,000	5,000	280	○			
25	AEON MALL Kashihara	April 2004	80,000	5,000	230		○		
26	AEON MALL Kisogawa	June 2004	66,000	4,400	170			○	
27	AEON MALL Fukuoka	June 2004	90,000	5,200	200			☆	
28	AEON MALL Hamamatsu Shitoro	August 2004	65,000	3,500	160			☆	
29	AEON MALL Sakai Kitahanada	October 2004	72,000	2,800	160			☆	
30	AEON MALL Rinku Sennan	November 2004	76,000	4,700	170		○		
31	AEON MALL Nogata	April 2005	58,000	3,400	140			☆	
32	AEON MALL Miyazaki	May 2005	70,000	4,000	180		○		
33	AEON MALL Kumamoto	October 2005	73,000	4,500	160			☆	
34	AEON MALL Mito Uchihara	November 2005	78,000	4,500	200			☆	
35	AEON MALL Chiba New Town	April 2006	79,000	4,000	180			☆	
36	AEON MALL Takasaki	October 2006	59,000	3,700	170			☆	
37	AEON MALL Musashimurayama	November 2006	78,000	4,000	180			☆	
38	AEON MALL Tsurumi Ryokuchi	November 2006	53,000	2,200	160			☆	
39	AEON MALL Kobe Kita	November 2006	55,000	4,000	160			☆	
40	AEON MALL Natori	February 2007	67,000	3,900	170		○		
41	AEON MALL Hanyu	November 2007	75,000	5,000	210		○		
42	AEON MALL Hinode	November 2007	64,000	3,600	160		○		
43	Aeon Lake Town Kaze	October 2008	61,000	2,300	230			○	
44	AEON MALL Kusatsu	November 2008	78,000	4,500	190		○		
45	AEON MALL Chikushino	December 2008	80,000	3,800	210		○		
46	AEON MALL Miyakononojo-Ekimae	December 2008	28,000	1,700	100	○			
47	mozo wondercity	April 2009	101,000	5,000	230				○
48	AEON MALL Hiroshima Gion	April 2009	50,000	2,800	130		○		
49	AEON MALL Aratamabashi	March 2010	38,000	1,700	120			☆	
50	AEON MALL Yamatokoriyama	March 2010	67,000	4,100	170			☆	

☆Securitized

# List of Malls (1)



	Shopping malls (Domestic)	Opening	Total leasing area (m <sup>2</sup> )	Parking	Tenants	Land& building ownership	Land lease/ Building ownership	Land& building lease	Property management
51	AEON MALL KYOTO	June 2010	51,000	1,100	130			☆	
52	AEON MALL Kofu Showa	March 2011	45,000	2,500	130			☆	
53	AEON MALL Omuta	March 2011	57,000	4,800	130	○			
54	Hiroshima Danbara Shopping Center	September 2011	24,000	800	60			◎	
55	AEON MALL Fukutsu	April 2012	61,000	3,500	190			☆	
56	Shopping Center SOYOKA Fujimino	June 2012	9,400	400	40				◎
57	AEON MALL Tsukuba	March 2013	64,000	4,000	200		◎		
58	AEON MALL Kasukabe	March 2013	56,000	2,900	180			☆	
59	Kobe Harborland Umie	April 2013	85,000	3,000	230				◎
60	AEON MALL T oin	November 2013	58,000	3,500	155		◎		
61	AEON MALL Makuhari Shintoshin	December 2013	128,000	7,300	360		◎		
62	AEON MALL Tendo	March 2014	47,000	3,000	130		◎		
63	AEON MALL Wakayama	Mar-14	69,000	3,500	210	◎			
64	AEON MALL Nagoya chaya	June 2014	75,000	4,100	200		◎		
65	AEON MALL Kyoto Katsuragawa	October 2014	77,000	3,100	220			☆	
66	AEON MALL Kisarazu	October 2014	84,000	4,000	160		◎		
67	AEON MALL Tamadaira Woods	November 2014	24,000	1,000	130			☆	
68	AEON MALL Okayama	Dec-14	92,000	2,500	350			☆	
69	AEON MALL Asahikawa	March 2015	29,000	900	130			◎	
70	AEON MALL Okinawa Rycom	April 2015	78,000	4,000	230		◎		
71	AEON MALL Shijonawate	October 2014	75,000	4,100	200		◎		
72	AEON MALL Tokoname	December 2015	83,000	4,200	180		◎		
73	AEON MALL Sakai Teppocho	March 2016	56,000	2,600	160		◎		
74	AEON MALL Imabari Shintoshi	April 2016	54,000	2,900	120	◎			
75	AEONMALL Nagakute	December 2016	59,000	2,600	200		◎		
76	QUATE PRX	December 2016	13,200	1,750	60			◎	
77	AEONMALL Shin Komatsu	March 2017	63,000	3,400	170			☆	
78	AEON SERITO Senmonkan	April 2017	9,100	400	35			◎	
79	AEONMALL Tokushima	April 2017	50,000	3,100	160		◎		
	<b>Domestic Total</b>		<b>4,817,700</b>	<b>260,350</b>	<b>12,650</b>	<b>10</b>	<b>24</b>	<b>41</b>	<b>4</b>

☆Securitized

※ In addition to the above, Aeon Mall manages and administers retail facilities (GLA 2,820,000m<sup>2</sup>, 8,200 specialty stores) on behalf of Aeon Retail Co., Ltd.  
 ※ Aeon Mall Kobe Minami had an initial phase one launch in June 2017. A marché zone was created and included Aeon Style Kobe Minami. The mall had its grand opening in September.

	Shopping malls (overseas)	Opening	Total leasing area (m <sup>2</sup> )	Parking	Tenants	Land& building ownership	Land lease/ Building ownership	Land& building lease	Property management
80	AEON MALL Beijing International Mall (CHINA)	November 2008	53,000	3,000	120			◎	
81	AEON MALL Tianjin TEDA (CHINA)	October 2010	55,000	2,500	130			◎	
82	AEON MALL Tianjin Zhongbei (CHINA)	April 2012	62,000	3,700	150			◎	
83	AEON MALL Tianjin Meijiang (CHINA)	January 2014	63,000	2,400	170			◎	
84	AEON MALL Suzhou Wuzhong (CHINA)	April 2014	75,000	3,100	190			◎	
85	AEON MALL Wuhan Jinyintan (CHINA)	December 2014	74,000	2,900	200			◎	
86	AEON MALL Suzhou Yuanqu Hudong (CHINA)	Ma y 2015	75,000	3,000	220	◎			
87	AEONMALL Beijing Fengtai (CHINA)	September 2015	58,000	2,000	180			◎	
88	AEONMALL Hangzhou Liangzhu Xincheng (CHINA)	November 2015	66,000	2,500	180	◎			
89	AEONMALL Wuhan Jingkai (CHINA)	December 2015	105,000	4,000	300	◎			
90	AEON MALL Guangzhou Panyu Square (CHINA)	January 2016	65,000	1,700	170			◎	
91	AEON MALL Suzhou Xinqu (CHINA)	January 2014	74,000	3,200	280			◎	
92	AEON MALL Hebei Yanjiao(CHINA)	November 2016	70,000	3,000	200			◎	
93	AEON MALL Tan Phu Celadon (VIETNAM)	January 2014	47,000	500	120				◎
94	AEON MALL Binh Duong Canary (VIETNAM)	November 2014	49,000	1,000	150			◎	
95	AEON MALL Long Bien (VIETNAM)	October 2015	72,000	1,000	180	◎			
96	AEON MALL Vinh Tan	July 2016	60,000	1,500	160			◎	
97	AEON MALL Phnompenh (CAMBODIA)	June 2014	66,000	2,200	190	◎			
98	AEON MALL BSD CITY (INDONESIA)	Ma y 2015	77,000	2,100	280	◎			
	<b>Overseas Total</b>		<b>1,266,000</b>	<b>45,300</b>	<b>3,570</b>	<b>6</b>	<b>0</b>	<b>12</b>	<b>1</b>
	<b>Grand Total</b>		<b>6,083,700</b>	<b>305,650</b>	<b>16,220</b>	<b>16</b>	<b>24</b>	<b>53</b>	<b>5</b>

	Shopping malls (Domestic)	Opening	Total leasing area (m <sup>2</sup> )	Tenants
1	Mito OPA	March 2017	12,500	61
2	Seisekisakuragaoka OPA	September 1999	16,100	57
3	Shinyurigaoka OPA	November 1997	12,100	98
4	Fujisawa OPA	March 1996	9,000	65
5	Kawaramachi OPA	November 1998	9,800	101
6	Umeda OPA	April 2013	2,200	19
7	Shinsaibashi OPA	November 1994	10,500	135
	OPA Kirei-kan	August 1998	2,300	included in Shinsaibashi OPA
8	Sannomiya OPA	October 1995	3,300	71
9	Sannomiya OPA II	February 2017	11,700	50
10	Canal City OPA	April 1996	13,300	124
11	VIVRE GENE Lake Town	September 2008	2,900	22
12	Yokohama VIVRE	October 1978	17,800	137
13	WORLD PORTERS VIVRE	September 1999	18,100	93
14	Nagoya Wonder City VIVRE	April 2009	2,700	10
15	Kitaoji VIVRE	March 1995	22,200	92
16	Sannomiya VIVRE	November 1969	5,700	34
17	Akashi VIVRE	October 1997	16,400	70
18	Tenjin VIVRE	November 1976	9,800	74
19	Akita FORUS	December 1987	11,000	58
20	Sendai FORUS	November 1984	14,600	105
21	Kanazawa FORUS	November 2006	26,100	197
Urban Style Fashion Building Total			250,100	1,673

As of August 31, 2017

\* Omiya OPA closed on January 29, 2017.

\* Oita Forus closed on February 26, 2017 and will reopen with the OPA brand in the spring of 2019.

\* Akita Forus ceased operation temporarily in February 2017, and will resume operation in late October 2017 under the OPA brand.