

Financial Highlights

AEON MALL Co., Ltd. and its subsidiaries
Consolidated fiscal year ended February 29, 2016

	Millions of Yen				Thousands of U.S. Dollars (Note)	
	2011	2012	2013	2014	2015	2015
For the year:						
Operating revenue	¥ 150,886	¥ 161,427	¥ 176,931	¥ 203,902	¥ 229,754	\$ 2,021,777
Operating income	40,656	41,743	42,227	41,872	43,870	386,051
Net income	20,355	21,865	23,430	24,513	24,639	216,822
Capital expenditures	73,044	53,536	114,859	181,953	174,055	1,531,634
Depreciation and amortization	20,739	21,621	23,945	29,574	32,088	282,371
Operating cash flows	23,248	63,226	44,382	76,152	61,785	543,698
Investing cash flows	(68,323)	(69,751)	(47,143)	(127,505)	(146,332)	(1,287,688)
Financing cash flows	25,889	35,493	17,232	54,994	73,446	646,306
Free cash flows	(45,075)	(6,525)	(2,761)	(51,353)	(84,547)	(743,989)
Per share data (yen and U.S. dollars):						
Net income	¥ 112.37	¥ 109.73	¥ 106.96	¥ 107.58	¥ 108.43	\$ 0.95
Cash dividends	21.00	22.00	22.00	22.00	22.00	0.19
At year-end:						
Total assets	¥ 543,761	¥ 630,887	¥ 759,245	¥ 900,957	¥ 974,970	\$ 8,579,462
Total equity	194,474	217,776	298,526	332,536	339,849	2,990,577
Interest-bearing debt	179,911	220,146	190,366	253,798	334,406	2,942,682
Ratio:						
Equity ratio (%)	35.6	34.1	38.9	36.4	34.2	—
ROE (Return on equity) (%)	11.0	10.7	9.2	7.9	7.5	—
ROA (Ratio of net income to total assets) (%)	3.8	3.7	3.4	3.0	2.6	—
ROIC (Return on invested capital) (%)	—	—	—	4.9	4.5	—
Debt-equity ratio (times)	0.93	1.02	0.65	0.77	1.0	—
PER (times)	16.4	19.0	26.3	21.5	14.8	—
PBR (times)	1.7	1.9	2.2	1.6	1.1	—

Note: For the convenience of readers, the value in U.S. dollars is calculated with the estimated exchange rate as of February 29, 2016 at 113.64 yen to the dollar.

* Because of a revision to the accounting period, fiscal 2012 had a period of 12 months and eight days, specifically starting on February 21, 2012 and ending on February 28, 2013.

* AEON MALL issued 23,500,000 new shares on June 19, 2013 and 2,500,000 new shares on July 12, 2013.

On August 1, 2013, AEON MALL executed a 1.1-for-1 split of common shares.

Accordingly, net income per share has been calculated on the assumption that the share split took place at the beginning of fiscal 2012.

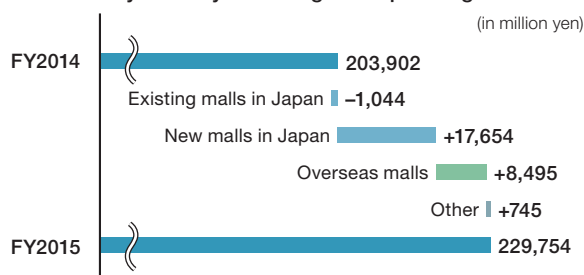
New mall openings in Japan and higher revenue in the overseas business helped to achieve double-digit growth.

(Operating revenue was up 12.7%, or 25,852 million yen)

Sales at specialty stores in existing malls totaled 98.3% of those in the previous year due to the stagnation of consumer spending, reflecting an uncertain outlook for the future such as concerns regarding slower growth in the world economy, and operating revenue at existing malls declined by 175,855 million yen (99.4% of that in the previous year).

Meanwhile, operating revenue at 11 new malls in Japan (seven malls opened in FY2014 and four malls opened in FY2015) increased by 17,654 million yen, and operating revenue at overseas malls rose by 8,495 million yen. As a result, total operating revenue increased to 229,754 million yen, or 112.7% of the level a year ago.

Factors for year-on-year changes in operating revenue

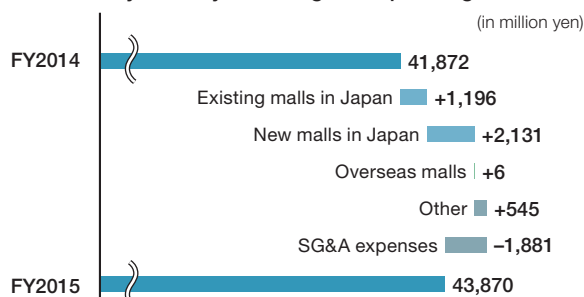


A year-on-year increase in income was achieved thanks to the strong performance of the domestic business.

(Operating income was up 4.8%, or 1,998 million yen.)

Operating income at existing malls in Japan increased by 1,196 million yen year on year due to the effect of cost improvements, and operating income at new malls also rose by 2,131 million yen. Operating income at overseas malls also increased by 6 million yen despite negative factors associated with the generation of initial expenses due to the opening of eight new malls. SGA expenses rose 1,881 million yen, and total operating income increased to 43,870 million yen, or 104.8% of the level a year ago.

Factors for year-on-year changes in operating income



Actively promoted investment in growth in Japan, China and ASEAN countries.

We are actively investing in Japan and overseas to increase earnings and promote streamlining, and total capital expenditure amounted to 174,055 million yen, including 102,650 million yen for the opening of five new malls and floor expansion at existing malls in Japan, 38,229 million yen for the opening of six new malls in China, and 33,196 million yen for the opening of two new malls in ASEAN.

We will continue to make capital investments to open new malls and other facilities, and capital expenditure for FY2016 is scheduled to reach 150,000 million yen.

Breakdown of Capital Expenditure

In Japan		102,650 million yen
Overseas	China	38,229 million yen
	ASEAN	33,196 million yen
Total		174,055 million yen