

# 11-Year Financial and Non-Financial Highlights

Consolidated fiscal years beginning March 1 and ending the last day of February

	2008	2009	2010	2011	2012
<b>Consolidated Fiscal Year</b>					
Operating revenue	130,813	138,942	145,117	150,886	161,427
Operating income	37,870	37,201	39,651	40,656	41,743
Operating margin (%)	28.9	26.8	27.3	26.9	25.9
EBITDA	52,455	55,670	59,373	61,395	63,365
Segment profit					
China	—	—	—	—	—
ASEAN	—	—	—	—	—
Japan	—	—	—	—	—
Net income attributable to owners of parent	21,390	21,809	22,379	20,355	21,865
Capital Expenditure	71,378	73,507	54,762	73,044	53,536
Depreciation and amortization	14,585	18,469	19,721	20,739	21,621
Cash flows from operating activities	26,655	72,001	53,007	23,248	63,226
Cash flows from financing activities	38,180	37,687	(27,315)	25,889	35,493
Free cash flow	(37,253)	(3,876)	17,100	(45,075)	(6,525)
Cash and cash equivalents	4,092	37,898	27,631	8,440	39,292
<b>Per-Share Data</b>					
Net income	118.09	120.41	123.55	112.37	120.70
Net assets	772.90	873.45	976.65	1,069.25	1,187.14
Dividends	20.00	20.00	20.00	21.00	22.00
<b>Consolidated Fiscal Year-End</b>					
Total assets	466,718	503,546	517,218	543,761	630,887
Net assets	140,503	158,816	177,617	194,474	217,776
Equity	139,987	158,202	176,896	193,683	215,046
Interest-bearing debt	126,060	167,376	143,691	179,911	220,146
<b>Financial Indicators</b>					
Equity ratio (%)	30.0	31.4	34.2	35.6	34.1
ROE (Ratio of net income to equity) (%)	16.3	14.6	13.4	11.0	10.7
ROA (Ratio of net income to total assets) (%)	5.1	4.5	4.4	3.8	3.7
ROIC (Return on invested capital) (%)	—	—	—	—	—
D/E ratio (times)	0.9	1.1	0.8	0.9	1.0
Net D/E ratio (times)	0.8	0.8	0.6	0.8	0.8
PER (Price earnings ratio) (times)	10.1	13.3	17.8	16.4	19.0
PBR (Price book-value ratio) (times)	1.5	1.8	2.2	1.7	1.9
<b>Non-Financial Indicators</b>					
Total no. of malls (Japan/Overseas)	51(50/1)	53(52/1)	56(54/2)	59(57/2)	64(61/3)
New malls (Japan/Overseas)	5(4/1)	2(2/0)	4(3/1)	3(3/0)	3(2/1)
No. of reactivated malls (floor space expansion/renovation)	6(3/3)	6(0/6)	12(1/11)	9(1/8)	5(1/4)
No. of urban SC	—	—	—	—	—
Total leasing area (m <sup>2</sup> ) Japan	3,000,100	3,123,800	3,319,500	3,434,400	3,498,400
Overseas	53,000	53,000	108,000	108,000	170,000
Total	3,053,100	3,176,800	3,427,500	3,542,400	3,668,400
Disaster-relief malls owned/operated (malls)	—	—	—	—	—
Energy consumption (crude oil equivalent kl)	—	116,741	126,338	100,683	96,083
Energy consumption intensity (denominator: floor space/mall operating hours) (GJ/1,000m <sup>2</sup> × h)	—	0.774	0.779	0.585	0.539
Energy consumption intensity YoY (%)	—	—	100.55	75.14	92.21
Mass of waste output (t)	—	—	53,194	53,391	56,183
Waste recycling volume (t)	—	—	44,723	44,106	46,603
Waste recycling rate (%)	—	—	84.1%	82.6%	82.9%
Water consumption (m <sup>3</sup> )	3,083,469	3,250,520	3,406,449	3,218,670	3,183,332
Water consumption rate (m <sup>3</sup> /1,000m <sup>2</sup> × h)	—	0.56	0.54	0.48	0.46
Trees planted (Japan, Overseas)	2,520,000	2,603,000	2,634,000	2,654,000	2,695,000
No. of malls with EV charging stations (Japan, China)	1	1	2	8	25
No. of EV chargers (Japan, China)	1	1	2	13	60
No. of employees (consolidated)	560	646	685	804	1,042
No. of female managers	42	48	56	65	79
Ratio of female managers to total managers (%)	—	—	—	—	—
No. of female officers	—	—	—	—	—
Ratio of female officers to total officers (%)	—	—	—	—	—
No. of local staff overseas	—	—	—	—	—

Note: Amounts in U.S. dollars are for convenience only, calculated at an exchange rate of ¥110.91 to US\$1 on February 28, 2019

\* AEON MALL issued 23.5 million and 2.5 million in new shares on June 19, 2013 and July 12, 2013, respectively.

AEON MALL conducted a 1.1 for 1 split for common shares on August 1, 2013.

Accordingly, fiscal 2012 net-income per share has been calculated assuming this stock split occurred as of the first day of fiscal 2012.

\* Due to a change in fiscal year, fiscal 2012 consists of the 12-month-eight-day period from February 21, 2012 to February 28, 2013.

\* Figures for energy, waste, and water do not include PM contracted malls. Rates provided use multipliers including floor space of common areas and back areas.

\* Energy consumption, energy consumption intensity, and energy usage reduction figures prior to FY2017 are fiscal April through fiscal March figures in conformance with the regular reporting requirements of the Act on the Rational Use of Energy. Calculations of FY2018 figures are based on results from March through February.

2013	2014	2015	2016	2017	2018	2018
					Unit: ¥ millions	Unit: US\$ thousands (Note)
176,931	203,902	229,754	269,793	288,111	<b>312,976</b>	<b>2,821,897</b>
42,227	41,872	43,870	44,935	49,211	<b>52,987</b>	<b>477,749</b>
23.9	20.5	19.1	16.7	17.1	<b>16.9</b>	<b>0.169</b>
66,173	71,447	75,959	82,993	87,654	<b>101,732</b>	<b>917,248</b>
—	(3,529)	(4,448)	(3,451)	(1,132)	<b>(453)</b>	<b>(4,087)</b>
—	(944)	(1,013)	(348)	248	<b>999</b>	<b>9,016</b>
—	46,346	49,322	48,716	50,074	<b>52,415</b>	<b>472,592</b>
23,430	24,513	24,639	28,527	30,542	<b>33,538</b>	<b>302,396</b>
114,859	181,953	207,215	163,407	190,100	<b>217,101</b>	<b>1,957,453</b>
23,945	29,574	32,088	38,058	38,443	<b>42,640</b>	<b>384,463</b>
44,382	76,152	61,785	73,646	80,616	<b>90,600</b>	<b>816,880</b>
17,232	54,994	73,446	8,312	44,841	<b>91,199</b>	<b>822,283</b>
(2,761)	(51,353)	(84,547)	10,072	(61,393)	<b>(85,589)</b>	<b>(771,701)</b>
59,096	67,222	53,652	69,593	54,223	<b>55,414</b>	<b>499,635</b>
					Unit: ¥	Unit: US\$ (Note)
106.96	107.58	108.43	125.45	134.29	<b>147.45</b>	<b>1.32</b>
1,295.30	1,438.25	1,481.77	1,539.36	1,642.59	<b>1,685.46</b>	<b>15.19</b>
22.00	22.00	22.00	27.00	35.00	<b>38.00</b>	<b>0.34</b>
					Unit: ¥ millions	Unit: US\$ thousand (Note)
759,245	900,957	974,970	1,012,758	1,123,781	<b>1,203,211</b>	<b>10,848,537</b>
298,526	332,536	339,849	356,203	385,561	<b>394,059</b>	<b>3,552,965</b>
295,124	327,708	333,547	350,073	373,572	<b>383,393</b>	<b>3,456,798</b>
190,366	253,798	334,406	360,292	405,749	<b>506,975</b>	<b>4,571,051</b>
38.9	36.4	34.2	34.6	33.2	<b>31.9</b>	
9.2	7.9	7.5	8.3	8.4	<b>8.9</b>	
3.4	3.0	2.6	2.9	2.9	<b>2.9</b>	
—	4.9	4.5	4.4	4.6	<b>4.4</b>	
0.6	0.8	1.0	1.0	1.1	<b>1.3</b>	
0.5	0.6	0.8	0.9	0.9	<b>1.1</b>	
26.3	21.5	14.8	13.8	16.7	<b>12.3</b>	
2.2	1.6	1.1	1.1	1.4	<b>1.1</b>	
138(133/5)	148(139/9)	161(144/17)	166(147/19)	174(150/24)	<b>180(153/27)</b>	
7(5/2)	11(7/4)	13(5/8)	7(5/2)	10(5/5)	<b>7(4/3)</b>	
11(0/11)	8(0/8)	12(1/11)	20(2/18)	14(2/12)	<b>8(2/6)</b>	
—	—	—	20	21	<b>23</b>	
6,615,900	6,996,700	7,312,900	7,753,950	7,923,800	<b>8,154,700</b>	
283,300	544,300	1,136,000	1,266,000	1,599,700	<b>1,828,000</b>	
6,899,200	7,541,000	8,448,900	9,019,950	9,523,500	<b>9,982,700</b>	
4	14	18	23	28	<b>37</b>	
100,598	106,155	114,856	117,278	118,030	<b>118,723</b>	
0.510	0.475	0.453	0.432	0.410	<b>0.401</b>	
94.62	93.01	95.45	95.33	94.88	<b>97.86</b>	
58,227	64,505	69,598	72,326	76,342	<b>79,364</b>	
48,467	54,348	60,271	62,805	65,748	<b>68,977</b>	
83.2%	84.3	86.6	86.8	86.1	<b>86.9</b>	
3,328,665	3,175,143	3,354,719	3,592,795	3,612,049	<b>3,629,433</b>	
0.44	0.37	0.34	0.34	0.32	<b>0.32</b>	
2,788,000	3,046,000	3,190,000	3,275,000	3,344,000	<b>3,467,000</b>	
35	73	128	136	149	<b>158</b>	
103	187	516	1,045	1,944	<b>2,332</b>	
1,689	2,024	2,313	2,871	3,091	<b>3,303</b>	
99	112	115	121	136	<b>151</b>	
12.5	13.1	13.2	13.7	14.2	<b>15.1</b>	
—	2	2	2	3	<b>4</b>	
—	12.5	13.3	13.3	17.6	<b>23.5</b>	
392	580	829	956	1,113	<b>1,227</b>	

\* Mass of waste output, waste recycling volume, and waste recycling rate are totals for common areas, tenant spaces, and AEON MALL offices combined.

\* Water consumption and water consumption rate are totals for common areas and AEON MALL offices.

\* Trees planted include totals for locations of PM contracted malls.

\* Ratio of female managers to total managers not shown for years 2012 or earlier due to an increase in employees stemming from mall operating contracts signed with AEON Retail Co., Ltd. in 2013.

\* Disclosure of number of local staff working at overseas subsidiaries represent figures beginning in FY2013, when the company began accelerating overseas openings.

# Financial Performance

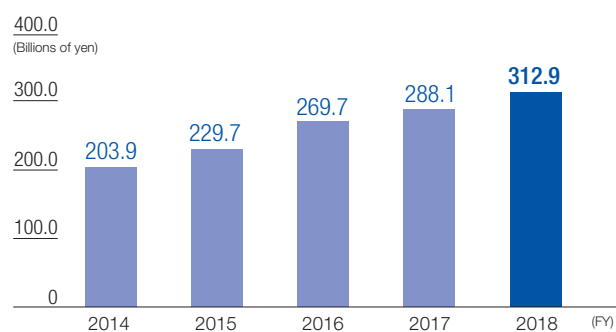
## FY2018 Highlights

AEON MALL achieved record-high revenues and profits for the consolidated fiscal year. Operating revenue amounted to ¥312,976 million (+8.6% year on year), while business expansion resulted in operating costs of ¥232,831 million (+9.8%). Despite higher operating costs, gross profit amounted to ¥80,144 million (+5.4%). Selling, general and administrative expenses amounted to ¥27,157 million (+1.1%), while

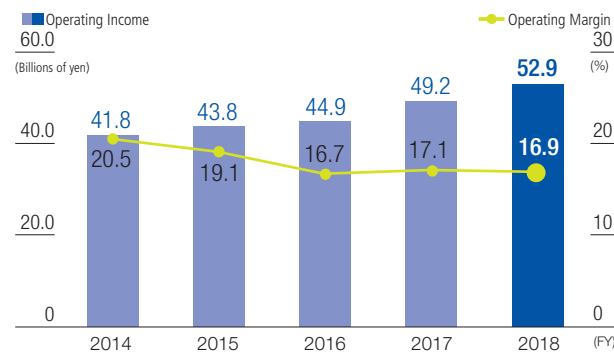
operating income rose to ¥52,987 million (+7.7%).

Net income attributable to owners of parent reached ¥33,538 million (+9.8%), due in part to a lower effective tax rate stemming from corporate tax deductions under the tax system to promote expansion of household incomes. EBITDA rose 20.2% to ¥101,732 million.

### Operating Revenue



### Operating Income/Operating Margin



## Performance by Segment

Our Domestic Business recorded operating revenue of ¥268,358 million (+5.0% year on year) and operating income of ¥52,415 million (+4.7%). Our mall business expanded sales floor space in two existing malls and renovated six malls during the period. Along with floor space expansions and renovations of existing malls, we took measures to increase customer drawing power. These measures included Happiness Mall initiatives and sales policies promoting localization. In addition, AEON MALL opened four malls as new business locations.

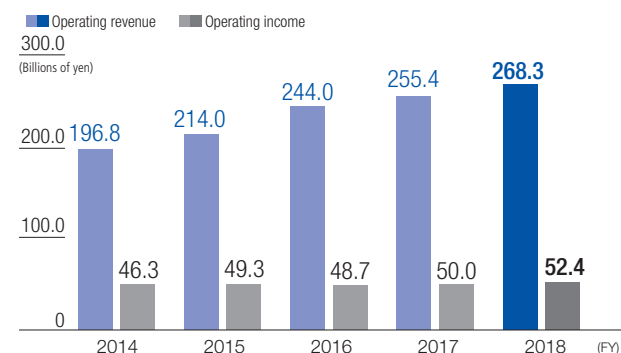
Our malls throughout Japan held AEON MALL Black Friday events for three days in November 2018. This promotion increased visitor traffic by 2.7% and sales by 6.6% over the same period a year earlier.

Our Overseas Business recorded net profits for the first time, benefitting from the branding advantages derived from area-dominant store openings in China and ASEAN. Overseas operating revenue reached ¥44,617 million (+36.8% year on year), while operating income amounted to

¥546 million (compared to an operating loss of ¥884 million in the previous year). This result was an improvement of ¥1,430 million in operating income year on year.

Our China business saw operating revenue of ¥33,369 million (+39.6%), with an operating loss of ¥453 million (compared to an operating loss of ¥1,132 million the previous year). Ten of our 17 malls in China were profitable,

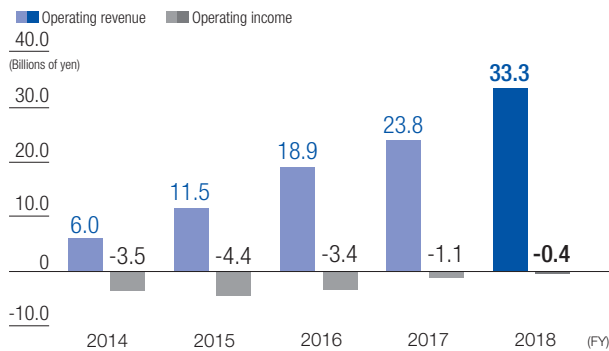
### Domestic Business



and our operations in China improved operating income by ¥679 million.

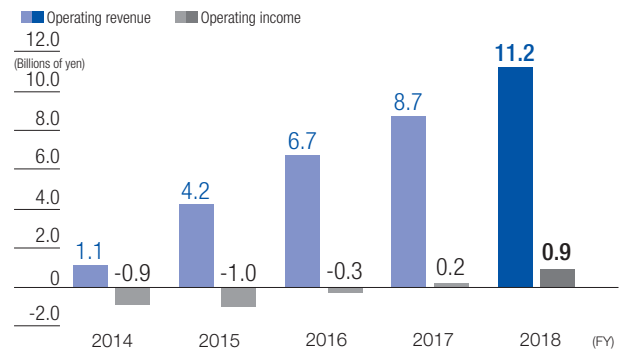
ASEAN business operating revenue was ¥11,248 million (+29.1% year on year) and operating income was

#### ● China Business



¥999 million (+302.4% year on year). All seven ASEAN malls were profitable, while operating income rose ¥751 million compared to the previous year.

#### ● ASEAN Business



#### ■ Assets, Liabilities, and Net Assets

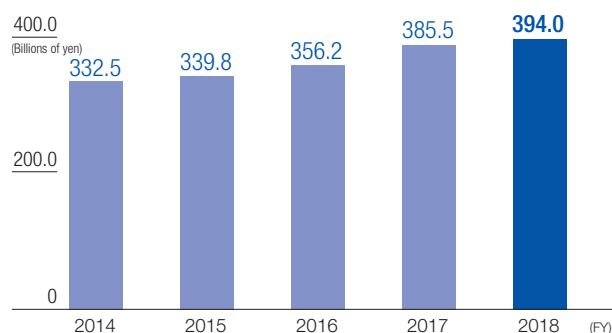
Total assets stood at ¥1,203,211 million, up ¥79,430 million compared to the end of the prior consolidated fiscal year. This result is partly explained by the openings of new malls and advance acquisitions of land for future development, including acquisitions of property, plant and equipment in the amount of ¥157,521 million. This increase was partly offset by depreciation and amortization of fixed assets in the amount of ¥42,640 million and sales of property, plant and equipment of ¥31,680 million.

Total liabilities stood at ¥809,151 million, up ¥70,932 million compared to the end of the prior consolidated fiscal year. This increase was mainly due to an increase of ¥80,000 million in bonds (including the current portion of bonds), a ¥26,225 million increase in long-term debt (including the current portion of long-term debt), an increase

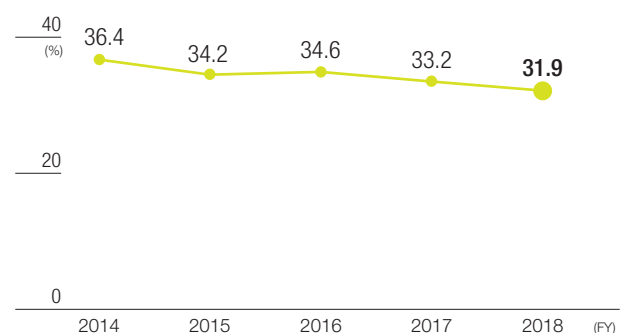
of ¥4,076 million in lease deposits from lessees, and an increase of ¥3,317 million in deposits received from specialty stores. These amounts were partly offset by a ¥5,000 million net decrease in commercial paper, a ¥38,929 million decrease in accounts payable-other on facilities (new mall openings, etc.), and a ¥798 million decrease in income taxes payable.

Net assets totaled ¥394,059 million, up ¥8,498 million compared to the end of the prior consolidated fiscal year. This result was mainly due to an increase in retained earnings as a result of ¥33,538 million in net income attributable to owners of parent, partly offset by dividend payments of ¥8,642 million and a decrease of ¥14,974 million in foreign currency translation adjustments.

#### ● Net Assets



#### ● Equity Ratio



## Financial Performance

### ■ Cash Flows

Cash and cash equivalents (“cash”) as of the end of the consolidated fiscal year amounted to ¥55,414 million, an increase of ¥1,191 million compared to the end of the prior consolidated fiscal year. Cash flows in the period under review were as follows.

Net cash provided by operating activities amounted to ¥90,600 million, compared to ¥80,616 million for the prior year. This result was mainly due to income before income taxes and other adjustments of ¥47,683 million (compared to ¥45,061 million in the prior year), depreciation and amortization of ¥42,640 million (compared to ¥38,443 million), and an increase in deposits received from specialty stores of ¥3,597 million (compared to ¥3,045 million). At the same time, income taxes paid amounted to ¥17,194 million (compared to ¥15,956 million).

Net cash used in investing activities resulted amounted to ¥176,189 million (compared to ¥142,009 million for the prior year). This result was mainly due to payments for facilities at malls opened during the prior fiscal year (AEON MALL Tokushima in Tokushima Pref., AEON MALL Matsumoto in Nagano Pref.) and malls opened during the current fiscal year (AEON MALL Zama in Kanagawa Pref., THE OUTLETS HIROSHIMA in Hiroshima Pref., AEON MALL Iwaki Onahama in Fukushima Pref., and AEON MALL Tsu-Minami in Mie

Pref.), as well as cash outlays for the acquisition of property, plant and equipment from such expenses as acquiring land for development, coming to ¥207,522 million (compared to ¥186,525 million in the prior year). These outlays were somewhat offset by proceeds from sales of property, plant and equipment in the amount of ¥36,287 million (compared to ¥40,293 million in the prior year) and proceeds from lease deposits from lessees in the amount of ¥14,914 million (compared to ¥13,975 million in the prior year).

Net cash provided by financing activities amounted to ¥91,199 million (compared to ¥44,841 million in the prior year). This result was mainly due to proceeds from issuance of bonds in the amount of ¥80,000 million (compared to ¥50,000 million in the prior year) and proceeds from long-term debt of ¥61,159 million (compared to ¥48,290 million in the prior year). This was partly offset by cash outlays for repayment of long-term debt of ¥35,759 million (compared to ¥52,563 million in the prior year), cash outlays for repayments of short-term debt and commercial paper of ¥5,000 million (compared to ¥11,000 million in proceeds from debt during the prior year), and dividends paid in the amount of ¥8,642 million (compared to ¥6,708 million in the prior year).

### Outlook for FY2019

Our Domestic Business plans to open one new mall. We will continue activity in mall expansions and renovations, with four existing malls slated for floor space expansion and 10 for renovation.

The government of Japan is planning to raise the consumption tax in October 2019. In response, we will work to secure sales with measures designed to motivate consumers to make purchases. We will also make greater use of digital technologies, partly to answer the government’s push for cashless payments. Further, AEON MALL plans to take advantage of demand associated with inbound tourism growth in Japan.

At the same time, we will promote our Happiness Mall program and greater localization through bargain sales and events capitalizing on local characteristics. This is one way in which we will create a stronger drawing power in our malls and

drive greater sales growth. The company will build earnings through improved operating efficiencies that take advantage of the economies of scale of our more than 150 malls in Japan. We also plan to implement measures for low-cost operations, including reduction of electricity consumption with the introduction of energy-saving equipment.

In our Overseas Business, we plan to open two new malls in China, one in Vietnam, and one in Indonesia. We are entering the stage where our overseas business is becoming a growth driver that will expand profits. In addition to new mall openings, we will step up the pace of renovations timed to tenant turnover in existing malls, planned expansions, and initiatives to improve our level of operations.

Given the preceding, our FY2019 earnings forecast calls for operating revenue of ¥326,000 million, operating income of ¥62,000 million, and net income attributable to owners of

parent of ¥33,700 million.

Our FY2019 earnings forecast reflects the currently anticipated impact of applying IFRS 16 *Leases*, which will

apply to overseas consolidated subsidiaries beginning with our FY2019 consolidated financial statements.

## Policy on Dividends

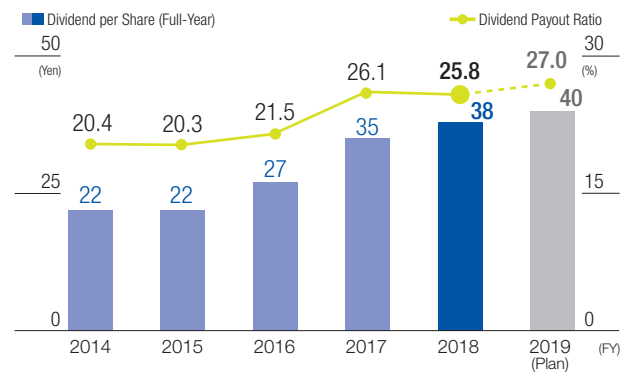
Returning profits to our shareholders as our earning capacity rises is an important management policy for AEON MALL. Our basic policy for shareholder returns is to emphasize stable and ongoing dividends, balanced by investment of internal reserves in growth businesses, in new businesses, and in management infrastructure. We aim for a consolidated payout ratio of 25% or higher.

Our policy is to pay dividends twice every business year, consisting of an interim dividend and a year-end dividend. Under the AEON MALL articles of incorporation, our board of directors determines the amount of dividends to be paid from reserves in accordance with Article 459, Paragraph 1 of the Companies Act of Japan.

At a meeting held April 9, 2019, our board of directors resolved to pay a year-end dividend for the consolidated fiscal year of ¥19 per share in line with our initial forecast. Combined with the interim dividend of ¥19 per share, the company paid annual dividends of ¥38 per share, an increase of ¥3 per share year on year. Our FY2018 consolidated payout ratio was 25.8%.

For FY2019, we plan to raise the annual dividend per share to ¥40 (¥2 higher than FY2018), projecting a consolidated payout ratio of 27.0%.

### Dividend per Share (Full-Year) and Dividend Payout Ratio



# Corporate Profile

(as of February 28, 2019)

Company Name:	AEON MALL Co., Ltd. (Stock Code: 8905)
Date Established:	November 1911
Representative:	Akio Yoshida, President
Common stock:	¥42,313 million
Headquarters:	1-5-1 Nakase, Mihama-ku, Chiba-shi, Chiba 261-8539, Japan
No. of Shopping Malls:	180 (Domestic 153/Overseas 27)
	<small>* Includes OPA Co., Ltd. (urban shopping center business converted to subsidiary in March 2016) and other affiliates.</small>
Business Activities:	Development of large-scale shopping malls, tenant leasing, and operations/management Real estate, leasing, agency services (Lic.No.7682 issued by the Minister of Land, Infrastructure and Transportation (3))
No. of Employees:	3,303

## Offices

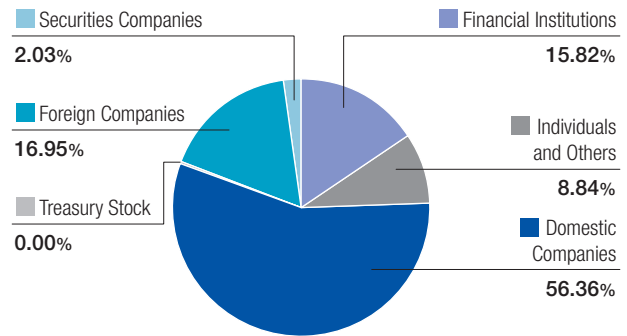
Office Name	Location
Sendai Office	Mitsumaru Building 2F, 3-3-3 Chuo, Aoba-ku, Sendai-shi, Miyagi 980-8442, Japan
Tokyo Office	Fuundo Honkan Building 5F, 1-2 Kandaogawamachi, Chiyoda-ku, Tokyo101-0052, Japan
Chiba Division business establishment	AEON MALL MAKUHARISHINTOSHIN FAMILY MALL, 1-1 Toyosuna, Mihama-ku, Chiba-shi, Chiba 261-8535, Japan
Nagoya Office	Aizo building 4F, 5-25-1 Meieki, Nakamura-ku, Nagoya-shi Aichi 450-0002, Japan
Osaka Office	Kurabo Annex Building 12F, 2-4-11 Kyutaromachi, Chuo-ku, Osaka-shi, Osaka 541-0056, Japan
Kobe Office	2-1-1 Nakanoshima, Hyogo-ku, Kobe-shi, Hyogo 652-0844, Japan
Hiroshima Office	1-3-52 Danbara-minami, Minami-ku, Hiroshima-shi, Hiroshima 732-0814, Japan
Fukuoka Office	Sankyo Fukuoka Building 5F, 2-9-11 Hakataekiminami, Hakata-ku, Fukuoka-shi, Fukuoka 812-0016, Japan
Shanghai Resident Office	Room 1204, An-Tai Building, 107 Zunyi Road, Changning District, Shanghai, China 200051
Qingdao Resident Office	Room 1903, Floor 19, Cosco Building B, No.61 Hongkong Middle Road, QingDao, China 266071
Ho Chi Minh City Resident Office	Room 3102.B, 31F, Lim Tower, No9-11 Ton Duc Thang Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam

# Stock Information (as of February 28, 2019)

## General Stock Information

Authorized No. of Shares:	320,000,000 shares
No. of Shares Issued:	227,472,789 shares
No. of Shareholders:	79,355

## Distribution of Shareholders



## Major Shareholders (Top 10)

Name/Company Name	Equity in AEON MALL	
	Number of Shares Owned (1,000 shares)	Percentage (%)
AEON Co., Ltd.	125,885	55.34
Japan Trustee Services Bank, Ltd. (Trust Account)	7,504	3.29
Japan Trustee Services Bank, Ltd. (Trust Account No. 9)	5,373	2.36
The Master Trust Bank of Japan, Ltd. (Trust Account)	4,768	2.09
BNYMSANV As Agent/Clients Lux Ucits Non Treaty Account	2,935	1.29
JP Morgan Chase Bank 385174	2,476	1.08
State Street Bank West Client - Treaty 505234	2,300	1.01
Japan Trustee Services Bank, Ltd. (Trust Account No. 5)	1,950	0.85
JP Morgan Chase Bank 385151	1,827	0.80
JP Morgan Securities Japan Co., Ltd.	1,780	0.78

### Notes:

- Shareholdings are rounded down to the nearest 1,000 shares.
- Ownership ratios rounded to the nearest hundredth.

Fiscal Year End: February 28 (or 29)

Record date: Record Date for Annual General Meeting of Shareholders  
February 28 (or 29)  
Record Date for Year-End Dividend February 28 (or 29)  
Record Date for Interim Dividend August 31

Annual General Shareholders' Meeting: Held annually by the end of May  
Minimum Trading Unit: 100 shares  
Stock Listing: Mizuho Trust & Banking Co., Ltd.  
1-2-1 Yaesu, Chuo-ku, Tokyo,  
Japan

## Credit Rating (as of April 25, 2019)

Rating Agency	Long-Term Rating	Short-Term Rating
Japan Credit Rating Agency, Ltd. (JCR)	A	-
S&P Global Ratings	BBB	-
Rating and Investment Information, Inc. (R&I)	A-	a-1