



August 1, 2016  
AEON CO., LTD.

## **Notice of Establishment of “AEON Oranage Co., Ltd” A joint venture company in Myanmar**

Aeon Co., Ltd. (Location of headquarters: Chiba Prefecture, President and representative executive officer: Motoya Okada, hereinafter, Aeon) and Creation Myanmar Group of Companies Limited (Location of headquarters: Yangon, Representative director: Han Kyi, hereinafter, CMGC) have established Aeon Orange Co., Ltd in April 2016. Aeon Orange Co., Ltd acquires an asset including 14 supermarkets (SM) operated by Hypermart Asia Co., Ltd. which is one of the affiliate companies of CMGC, and start SM Business in Myanmar on August 1. At the same time, the newly established company is preparing for opening of its first SM in Myanmar within this year, and working on realizing enriched life of people in the region.

Followed by the economic liberalization after transition to the civilian government, the modernization of retail industry has proceeded, while the middle-class population has been on the increase in Myanmar. With the population of 53 million people, the real economic growth rate in the country is 8.3%\* which is the dramatic growth, exceeding the average growth rate among five developed nations in ASEAN countries in which further economic growth is expected accompanied by the integration within the region. Myanmar continues to grow in a speedy manner.

CMGC is a Group company which operates 14 SM mainly in Yangon, the largest city in the country, and it has over 20 overseas brand sales licenses including adidas and MANGO operating approximately 130 stores under Specialty Store Business, and Real Estate Business as well. In SM Business, focusing on community-based management, CMGC has strengths such as merchandise procurement capability within the country and from overseas which meets the needs of the region regarding processed products and non-foods products as well as know-how of developing stores of various sizes depending on the regional characteristics from central city to suburb.

Aeon promotes a Group-wide growth strategy under the shift to “Asian markets” in ASEAN countries and China. In Myanmar, Aeon Microfinance (Myanmar) Co., Ltd., established in 2012, has developed consumer finance business starting from 2013 as the first Japanese company. In 2014, Aeon established a representative office, and has conducted a research for developing Retail Business.

In order to develop business in a speedy manner in this fast growing Myanmar market, Aeon believes that cooperation with CMGC is indispensable, as it has the retail business infrastructure in the country and is also familiar with the customer needs which differ from region to region.

Aeon will learn the customer needs in the region and the know-how of community-based product procurement, while offering Aeon's private brand "Topvalu," the global sourcing thorough utilizing the Group comprehensive strength, and quality control to assure "safety and security," as well as the know-how such as logistics, IT, and human resource development to CMGC.

With the establishment, Aeon, as a Group, strives to contribute to modernization of retail industry in Myanmar and creation of peaceful and enriched lives of local customers, thorough developing the retail market and offering new values to the local customers.

<sup>\*</sup>IMF estimation for FY 2013

## Note

### 1. AEON Orange Co.,Ltd

Company name: AEON Orange Co., Ltd.

Location of headquarters: No.15-18, Thamain Bayan Road, Myittar Yeik Mon Housing,  
Tamwe, Township, Yangon Myanmar

Date of foundation: April, 2016

Representative person: Yoshimitsu Kawato

Capital: 8.1 Million USD

### 2. CMGC

Company name: Creation Myanmar Group of Companies Limited

Location of headquarters: No. 160, Bogyoke Aung San Road, Pazuntaung Township,  
Yangon Myanmar

Date of foundation: November, 2013

Representative person: Han Kyi

Capital: 0.1 Million USD

## **Environment and Social Contribution Activities in Myanmar**

### **【AEON Environmental Foundation】**

#### 1. Tree-planting activities

As part of environmental conservation activities, AEON works together with the Ministry of Environmental Conservation and Forestry of the Republic of the union of Myanmar and has implemented a three-year plan starting from 2013 to restore watershed conservation function in Phgyi Reservoir. Aeon Environmental Foundation has planted 24,000 trees together with volunteers from Japan and Myanmar. Starting from this year, the Foundation plans to plant another 30,000 trees around Hlawga Lake.

### **【AEON 1% Club Foundation】**

#### 1. Teenage Ambassador Program (exchange program of high school students)

In order to deepen international mutual understanding and friendship among young people who will lead the next generation, Aeon 1% Club Foundation (Aeon 1% Club) has implemented “Teenage Ambassador Program” since 1990. In 2013, a total of 40 high school students from Japan and Myanmar visited each other’s country as young ambassadors, visited each other’s embassy, and deepened exchanges through attending classes and homestay.

#### 2. AEON Scholarship Program

Supporting realization of dreams of Asian university students and graduate students, “Aeon Scholarship” has granted scholarship to 80 students of Yangon Institute of Economics and the Yangon University of Foreign Languages since 2014. The graduates are expected to play active roles as leaders in various fields.

#### 3. School Construction Support

Aeon 1% Club has supported construction of schools working together with governments from various countries so that children in Asian countries lacking in educational facilities can receive basic education. In Myanmar, students of different grades have to study in the same class room due to lack of class rooms. So far, Aeon 1% Club has supported construction of 35 schools since 2012 in order for children under such circumstances can study in better environment.

#### 4. “AEON UNICEF Safe Water Campaign”

In a part of Myanmar where Aeon 1 % Club has supported construction of schools, even now, unclean water from ponds or rivers is utilized as daily life water. Children have to travel so far to get water and a lot of time is taken to undertake household chores. Therefore, the children’s attendance rate to classes is declining. Aeon 1 % Club has supported installation of water supply facilities in villages and towns where these children are living for the past five years since 2010.

## **Overview of AEON MICROFINANCE (MYANMAR) CO., LTD.**

Company name: AEON MICROFINANCE (MYANMAR) CO.,LTD.

Location of headquarters: G-1-18, Mezzanine Floor, Building (D), Pearl Condo, Kabaraye Pagoda Road, Bahan Township, Yangon Myanmar

Date of foundation: November, 2012

Representative person: Yuro Kisaka

Capital: 8.5 Million USD