



Separation of functions common to group into new companies

## **About the Establishment of New Three Companies**

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Strategy for Product Procurement that Leverages the Synergy between Group Companies

**May 21, 2007** — AEON has been implementing management reform in order to maximize customer satisfaction and become a global company capable of achieving world-class management while contributing to local societies at a high level. In addition, AEON is promoting the consolidation of functions common to the AEON Group and building a group management structure in order to maximize the value of the group companies in consideration of the transition of the functions to a holding company.

Today, AEON would like to announce the spin-off of three functions from AEON Co., Ltd which are expected to generate the most effective synergy: private brand development, aggregation of demands, and supply chain management (SCM). AEON will establish three preparation companies from these functions as described below.

The three companies will start business on August 21, 2007.

### Details

#### 1. Purpose of the Establishment of Preparation Companies

In order to enhance cooperation with group companies and partner companies and seek stronger synergy between the group companies, functions will be spun off from AEON Co., Ltd., which is centered on general merchandise store (GMS) operations, into separate companies. The functions are private brand product development, product procurement (mainly national brand product procurement) and procurement of common raw materials, and supply chain management. The three new companies will fully support operating companies as functional companies of the group across country borders, business categories, and business types.

With this support, the operating companies will be able to improve product procurement efficiency, reduce costs, etc., and build a business structure which will allow them to focus more on the development of local products and the procurement of local brand products, and promote the creation of stores that can provide greater customer satisfaction.

#### 2. Company Establishment Schedule (common schedule for all three companies)

May 21, 2007	Establishment of the new company
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August 21, 2007      Scheduled business start date for the new company

### 3. Company Overviews of the Preparation Companies

#### AEON TOPVALU CO., LTD.

- (1) Company Name:            AEON TOPVALU Kabushiki Kaisha  
(English name: AEON TOPVALU CO., LTD.)
- (2) Representative:         Tetsu Tomonaga
- (3) Headquarters:          1-5-1 Nakase, Mihama-ku, Chiba City, Chiba
- (4) Establishment:         May 21, 2007
- (5) Main Business  
Operations:                    Product planning, manufacturing, wholesale, export, and import  
of clothing products, food products, household products, etc.
- (6) Fiscal Year End:        February 20
- (7) Capital Stock:          ¥10 million
- (8) Stock Holder:          AEON Co., Ltd. with 100% ownership

#### AEON GLOBAL MERCHANDISING CO., LTD.

- (1) Company Name :        AEON Shohin Chotatsu Kabushiki Kaisha  
(English name: AEON GLOBAL MERCHANDISING CO.,  
LTD.)
- (2) Representative:        Yoshitomo Suzuki
- (3) Headquarters:         1-5-1 Nakase, Mihama-ku, Chiba City, Chiba
- (4) Establishment:        May 21, 2007
- (5) Main Business  
Operations:                    Product planning, manufacturing, wholesale, export and import  
of clothing products, food products, household products, etc.  
Merchandising support related to product procurement and sales.
- (6) Fiscal Year End:        February 20
- (7) Capital Stock:          ¥10 million
- (8) Stock Holder:          AEON Co., Ltd. with 100% ownership

#### AEON GLOBAL SCM., LTD.

- (1) Company Name:        AEON Global SCM Kabushiki Kaisha  
(English name: AEON GLOBAL SCM CO., LTD.)
- (2) Representative:        Takao Iwamoto
- (3) Headquarters:         1-5-1 Nakase, Mihama-ku, Chiba City, Chiba
- (4) Establishment:        May 21, 2007
- (5) Main Business            Management and operation of distribution centers, undertaking of

Operations:	outsourced distribution activities, and activities to collect and process distribution information.
(6) Fiscal Year End:	February 20
(7) Capital Stock:	¥10 million
(8) Stock Holder:	AEON Co., Ltd. with 100% ownership

#### 4. Impact on Business Performance

The impact that this will have on our business performance this term is minimal.

#### 5. Profiles of the New Company Presidents

##### AEON TOPVALU CO., LTD.

Name	Tetsu Tomonaga	
Date of Birth	April 22, 1950	
Career Highlights	March 1974	Joined JUSCO CO., LTD. (currently, AEON CO., LTD.)
	June 1997	Assumed the position of executive vice-president of JAYA JUSCO STORES SDN. BHD
	March 1998	Assumed the position of President of Shanghai JUSCO CO., LTD.
	February 2003	Assumed the position of SCM distribution division director
	February 2004	Representative of SCM
	May 2004	Assumed the position of executive officer
	May 2005	Assumed the position of senior executive officer
	March 2007	Representative of Group Private Brand (current position)

##### AEON GLOBAL MERCHANDISING CO., LTD.

Name	Yoshitomo Suzuki	
Date of Birth	September 14, 1957	
Career Highlights	April 1988	Joined JUSCO CO., LTD. (currently, AEON CO., LTD.)
	September 1993	Processed Food Product department, Food Products division

March 1999	Department manager of Grocery Product department, SSM Products division
September 2004	Health and Beauty Product division manager and Non-Food and Health Product department manager
May 2005	Assumed the position of executive officer
May 2006	Assumed the position of senior executive officer
March 2007	Representative of Group Demand Aggregation (current position)

AEON GLOBAL SCM., LTD.

Name	Takao Iwamoto	
Date of Birth	June 23, 1952	
Career Highlights	April 1976	Joined JUSCO CO., LTD. (currently, AEON CO., LTD.)
	September 1994	Foods and Niigata Products department manager
	September 1996	Executive director and Product general manager of PRIMART
	August 1999	Executive director and SM division manager of RYUKYU JUSCO CO., LTD.
	March 2000	SSM Hyogo Sanyo Products department manager of this company
	March 2002	Manager of Food Planning department, Products division of MYCAL Corp.
	September 2004	Manager of Grocery Products department, Food Products division of this company
	March 2006	Deputy general manager of Food Products division
	March 2007	Representative of Group SCM (current position)

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