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Announcing a New Four-Company Cooperative Framework in the Tohoku Area

August 25, 2009 – AEON Co. Ltd. (“AEON”) today announced its intention to cater more closely to the needs of the Tohoku area and focus on becoming a more locally oriented company in the future. As such, AEON will be introducing a new organizational structure consisting of four of its subsidiaries with bases of operations in the Tohoku Area (AEON Retail Co. Ltd. [Tohoku Division general retail operations and Tohoku Maxvalu operations], Maxvalu Tohoku Co. Ltd., AEON SUPERCENTER Co. Ltd. and SUNDAY Co. Ltd.; “the four companies”) as of Monday September 21.

AEON has always sought to take a community-based approach to business and aims to contribute to local communities through its retail operations. Having switched to a 100% holding company system in August last year, AEON has since been taking steps to maximize synergy within the AEON Group through structural reform of group management practices. By establishing an organizational and functional structure that goes beyond the confines of any one company, bringing together common operations previously performed separately by each of the four companies within the Tohoku area, the aim of this new cooperative framework is to cater more closely to the needs of the Tohoku area and improve levels of customer satisfaction.

For instance, AEON intends to assign dedicated buyers to cover markets in each region and step up purchasing of specialty local products from sources such as local producers, markets, and fishing ports in an effort to provide local customers with the range of products that they genuinely want. AEON also plans to develop private brand products based specifically on local tastes and customs and market local produce on a broader scale. With this approach, the Company aims to transform local consumption into regional or even national consumption, thereby helping to revitalize the Tohoku economy more than ever before.

In terms of back-office capabilities meanwhile, sharing sales techniques, expertise, and product knowledge between the four companies will make it possible to offer customers food and lifestyle promotions that are exclusive to their area, effectively improving the level of customer service.

The four companies intend to fully harness this new framework in an effort to become an established, accessible, and essential part of the everyday lives of customers throughout Tohoku.