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April 12, 2012
AEON CO., LTD.

Notice on the Revision to Dividend Policy, the Implementation of Interim Dividends, and Partial Amendments to the Articles of Incorporation

Aeon Co., Ltd. (hereinafter, “the Company”) hereby announces that it was resolved at its Board of Directors’ meeting held on April 12, 2012 that the dividend policy be revised for the fiscal year ending February 2013 and thereafter, and that interim dividend be paid in the said fiscal year and thereafter. In line with such resolutions, it was additionally resolved that a proposal for “Partial Amendment to the Articles of Incorporation” be submitted as one of the agenda for the 87th Ordinary General Meeting of Shareholders to be held on May 17, 2012, as detailed below.

1. Revision to Dividend Policy

The Company positions its dividend policy as priority measures to balance to the optimum level between the improvement of corporate value in the medium- to long-term growth, and profit distribution. From the viewpoint of how the Company should reward its shareholders for the capital contributed, we have continued the dividend policy taking into consideration the consolidated performance.

Given the record profits for the fiscal year ended February 2012 together with the improvement of management base toward the medium- to long-term growth reflecting the results of business restructures, we have determined to revise the dividend policy for the period of the Medium-term Management Plan.

Specifically, in order to clarify the policy of profit distribution to shareholders, the Company will exert its efforts toward the target of 30% in payout ratio on a consolidated basis for the fiscal year ending February 2014, the final year of the Medium-term Management Plan, while maintaining the full-year dividend per share in the level which is same as or higher than the previous year.

2. Reason for Payment of Interim Dividend

The basic dividend policy of the Company has been to distribute its surplus once a year as year-end dividend. However, in the aim of increasing the opportunities of profit distribution to shareholders, we have resolved the basic policy of paying dividend of surplus twice a year by adding interim dividend from the fiscal year ending February 2013.

3. Dividend Forecast for the Fiscal Year Ending February 2013

(Base date)	Dividend per Share (Yen)		
	End of 2Q	Year-end	Full-year
Dividend Forecast (Year ending February 2013)	12	12	24
[Reference] Previous year (Year ended February 2012)	—	23	23

4. Partial Amendments to the Articles of Incorporation

(1) Reason for Amendments

In order to increase the opportunities of profit distribution to shareholders, we propose to amend corresponding provision of Article 35 of the current Articles of Incorporation required to establish a new provision for the base date of interim dividend.

(2) Details of the Amendments

The proposed amendments are as detailed below:

(Changes are underlined.)

Current provisions of the Articles of Incorporation	Proposed amendments
(Dividend of Surplus)	(Dividend of Surplus)
Article 35. The Company shall determine by the resolutions of the Board of Directors, without the resolution of the general meeting of shareholders, the matters including dividends of surplus as set forth in Article 459 Section 1, except as otherwise provided for in laws and regulations.	Article 35. (Unchanged from the existing text)
(2) The base date for the fiscal year-end dividend of surplus shall be the end of February of each year.	(2) (Unchanged from the existing text)
(New provision)	(3) <u>The base date for the interim dividend of the Company shall be August 31 of each year.</u>
(3) In addition to <u>the preceding paragraph</u> , the Company may pay dividends of surplus by establishing the respective base dates.	(4) In addition to <u>the preceding two paragraphs</u> , the Company may pay dividends of surplus by establishing the respective base dates.
(4) If the dividend property is money, and remains unclaimed during three (3) years after the date of the commencement of payment thereof, the Company shall be discharged from its obligation to pay such dividends.	(5) (Unchanged from the existing text)
(6) Unclaimed dividends shall not carry interests.	(6) (Unchanged from the existing text)

(3) Date of Amendment to the Articles of Incorporation

The amendments shall be effective on May 17, 2012.