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June 27, 2013
AEON CO., LTD.
AEON (CHINA) CO., LTD.

Advancing into inland China with high growth potential
Aeon Establishes GMS Operating Companies in Hubei and Jiangsu

Aeon Co., Ltd. has recently established two subsidiaries in People's Republic of China, specifically Aeon(Hubei)Co.,Ltd. (Wuhan City, Hubei Province) and Aeon EastChina(Suzhou)Co.,Ltd. (Suzhou City, Jiangsu Province), and the company has obtained business license from the authorities for the both new firms to open GMSs in each location. The first store launch is scheduled for 2014 for both.

Our China Business has been developed with a focus on GMS, targeting four major regions, specifically, Beijing/Tianjin, Shandong, Guangdong and Hong Kong. Drawing on our achievements built in these coastal areas, we intend to take a next expansion step by making inroads Hubei and Jiangsu provinces where rapidly growing economy is expected to offer enormous consumer markets in coming years, with a view to exploring opportunity to tap into potential markets in deeper inland China.

In the Aeon Group Medium-term Management Plan (through fiscal 2011 to fiscal 2013), the Aeon Group positions a "shift to Asian markets" as one of its four key strategies to achieve a significant growth in China and the ASEAN region.

Based on this plan, we set up Aeon (China) Co., Ltd. in Beijing as headquarters for China that commenced operation in March 2013 to press ahead the shift to Asian markets. Under this strategy, we aim to be a "glocal" company, meaning that management must both meet global quality standards and at the same time remain rooted in local communities, striving to build a robust business foundation for Group members to work as a team to accelerate growth in the region.

Aeon (Hubei), local subsidiary at the forefront of the Group's advancement into inland China, is based in Wuhan, Hubei Province, known as Central China's largest commercial/industrial city, which possesses a population of approximately 10 million. Located in the mid-stream area of the Yangtze River, Wuhan has served as a ground transport hub since ancient times connecting major cities of the vast mainland China—east to west (Shanghai to Chengdu) and north to south (Beijing to Guangzhou). The value of the district as a transport function has increased in recent years as social infrastructure, particularly railroad and road network systems, has rapidly been improved across the country.

Aeon(Hubei)Co.,Ltd. will open its first store within Aeon Mall Wuhan Olympic Garden (tentative name), planned to be constructed in northern part of the Hankou area, a commercial center of Wuhan. The planned site is favorably located in a densely populated area with 0.5 million people living within a 10-minute driving distance. In addition, construction of a subway line running along an adjacent land lot was completed at the end of 2012, which is likely to drive rapid, large-scale developments, including high-rise residential facilities, in the district.

Aeon EastChina(Suzhou)Co.,Ltd. is based in Suzhou, Jiangsu Province, located 80 kilometers west of Shanghai. It is an ancient castle city boasting rich culture and history embraced in the fertile Yangtze delta, and its foundation was built on quality silk fabric production. In the modern age, in tandem with rapid economic growth of the nation, Suzhou has achieved a new remarkable development as an economic center of the region.

The first store of Aeon EastChina(Suzhou)Co.,Ltd. will open within Aeon Mall Suzhou Wuzhong Shopping Center (tentative name) that is planned to be constructed in Wuzhong District, 12 kilometers south of the center of Suzhou. The planned site is favorably located in a densely populated area with 1.2 million people living within a 15-minute driving distance, and booming with new construction and development projects for a range of social functions from residence, education, medical care to tourism.

Aiming to serve as a "lifeline" provider for local communities, Aeon will continue to promote China Business, focusing on GMS as a core function of shopping mall operation including the two stores planned for serving local customers in Hubei and Jiangsu, and endeavor to achieve strategic expansion through effectively joined efforts of multiple Group Businesses, such as Finance Services, Service and Specialty Store Business.

Outline of new company

Company Name: AEON(HUBEI)CO.,LTD.

Location: Dongxihu District, Wuhan City, Hubei Province, China

Representative: Takao Shiina

Established: March 21, 2013

Capital: 200 million yuan (approx.. 3 billion yen)

Outline of the first store

Store name: Aeon Mall Wuhan Olympic Garden (tentative name)

(a core store (GMS) of the mall)

Location: Dongxihu District, Wuhan City, Hubei Province, China

Sales area: 19,500 m²

Scheduled to open: Autumn of 2014

Overview image of Aeon Mall Wuhan Olympic Garden (tentative name)



Outline of new company

Company Name: AEON EASTCHINA(SUZHOU)CO.,LTD.
Location: Wuzhong District, Suzhou City, Jiangsu Province, China
Representative: Seiki Kashiwa
Established: May 20, 2013
Capital: 200 million yuan (approx. 3 billion yen)

Outline of the first store

Store name: Aeon Mall Suzhou Wuzhong Shopping Center (tentative name)
(a core store (GMS) of the mall)
Location: Wuzhong District, Suzhou City, Jiangsu Province, China
Sales area: 20,000 m²
Scheduled to open: Spring of 2014

Overview image of Aeon Mall Suzhou Wuzhong Shopping Center (tentative name)

