



September 21, 2012
AEON CO., LTD.

**First “Spin-off” as a Fruit of Enhancement of Specialization in the Course of GMS Business Reforms
“AEONBIKE” Launching on Friday, September 21 as Aeon’s Bicycle Company
Accelerating rollout to achieve the 1,000-store network by the end of FY2015**

Aeon Retail Co. Ltd., a subsidiary of Aeon Co. Ltd., announced today the spin-off of a part of the bicycle business to form “AEONBIKE Co. Ltd.” (hereinafter “AEONBIKE”).



[Purpose of establishing “AEONBIKE”]

～Background of Aeon’s initiatives to enhance the specialization～

To offer the items and services that meet diversifying customers’ lifestyles and needs, Aeon is in the process of the general merchandise store (hereinafter GMS) Business reforms. As one of the pillars of the ongoing reforms, Aeon focuses on spin-off of the categories offering specialty assortment and services in wider floor areas. “AEONBIKE” is the first fruit of our efforts.

～Background of Aeon’s intensified efforts in the bicycle category～

“Backdrop of increasing interest in “environment” and “health”, more and more people use bicycles for transportation and spare-time activities year by year. As various types of bicycles are launched in the market to meet various lifestyles of customers, we are expecting a high potential of growth in this category.

～Offering wide range of items including Aeon’s exclusive brands to meet ever-diversified customer needs～

“AEONBIKE”, with the space double as wide as the conventional bicycle sales floor, offers various bikes and items around the world. Bikes include sport, cross, mini-velo, electronic bikes from various brands in Japan and overseas, such as Aeon’s private brand “Topvalu”, and “Momentum” from the global top share manufacturer, “Giant Group”. In addition to these bikes, parts such as fancy-colored pedals and saddles, and even apparel and skincare items are offered for ladies to meet their needs for customization.

“AEONBIKE” is the one totally supporting all bicycle lovers in every generation.

～“Aeon Cycle Advisors” supporting customers with rich knowledge and high skills～

Aeon sets up the qualification program to certify “Aeon Cycle Advisors” who hold technical skills certified as “bike mechanics” by Japan Traffic Management Technology Association (JTMTA) as well as high customer service skills qualified in the strict in-house standard. With rich knowledge and high skills, the advisors offer you “safety and security” and the top-level services and advices

~To be the largest bicycle specialty store in Japan, targeting at the 1,000-store network by the end of FY2015.~

“AEONBIKE”, making the most of Aeon Group’s management resources such as store development capabilities, the logistic network, merchandise inspection body and the Financial Services Business providing insurance products including theft insurance, is targeting to grow into the largest bicycle specialty store in Japan by expanding its network from 160 to 1,000 stores by the end of FY2015.

~Accelerating enhancement of the specialization in various categories such as “liquor” and “handicrafts”~

Marking the spin-off of “AEONBIKE” as the first step, Aeon will accelerate our efforts to enhance the specialization in other categories such as liquor and handicraft shops. This will enable us to form the unprecedented GMS format bringing various assortment and expertise together.

[Summary of the new company]

- (1) Date of establishment: September 21, 2012
- (2) Outline of spin-off: Through the Incorporation-type company split of AEON Retail Co., Ltd.
- (3) Trade name: AEONBIKE CO., LTD.
- (4) Representative: Yuichiro Okauchi
- (5) Head office address: 1-4 Nakase, Mihama-ku, Chiba-shi, Chiba-ken
- (6) Business: Development and operation of the bicycle specialty stores; development of bicycle-related businesses
- (7) Financial closing date: the end of February
- (8) Capital: 50 million yen
- (9) Shareholder: AEON Retail Co., Ltd. (100%)
- (10) Stores in operation: 28 roadside stores in Kanto area

*The new company operates 28 stores in Kanto area among 160 “AEONBIKE” stores nationwide.

[About “Aeon Cycle Advisor”]

“Aeon Cycle Advisors” are the specialized sales staff who are qualified in maintenance and advices to offer “safe and secured” bicycles best suited to each customer’s lifestyle.

Staff certified both in “bicycle mechanics” of JTMTA and “bicycle engineer” of Japan Vehicle Inspection Association are qualified for taking the examination. To be qualified as the advisor, staff first goes through ten curriculum including classroom trainings such as traffic rules, bicycle knowledge and customer services and skill trainings such as assembling, disassembling and repairs. Then the staff who passed the paper and practical examinations are certified as “Aeon Cycle Advisors”.

Aeon Group currently holds about 1,000 certified “Aeon Cycle Advisors”. We aim at increasing the number of advisors to 2,000 by the end FY2015.