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September 11, 2013 AEON CO., LTD. AEON Retail Co., Ltd. AEON KYUSHU CO., LTD.

All AEON GMS stores across Japan to discontinue free shopping bags on Friday, November 1, 2013 Additional 203 outlets will join the initiative

On Friday, November 1, 2013, Aeon will discontinue providing free plastic shopping bags on the food department of its GMS stores under the "AEON" banner in the Honshu, Shikoku, and Kyushu areas. The 203 stores will start offering environmentally friendly biomass-based shopping bags for customers who will pay for them. From the day and onwards, no shopping bags will be provided for free of charge at any of the 423 AEON GMS stores in Japan.

Aeon started the "Bring Your Own Shopping Bag" campaign in 1991 to encourage customers to reduce the consumption of disposable shopping bags. In 2007, Aeon became the first national retail chain operator which started to charge for disposable shopping bags. At the stores which have already started to charge for shopping bags, more than 80% of shoppers bring their own bags, which can indicate strong customer support for this initiative.

The latest decision to expand the initiative nationwide aims to accelerate Aeon's joint efforts with customers to reduce CO_2 emissions and conserve natural environment. From November 1, customers who wish to receive shopping bags can purchase shopping bags made from environmentally friendly biomass materials. As the proceeds¹ from the sale of shopping bags will be donated to local environmental organizations in full amount, customers using those bags can also contribute to environmental conservation.

In the previous fiscal year, the AEON Group reduced the number of shopping bags provided by 1.8 billion bags and CO_2 emissions by 167,000 tons. The percentage of shoppers who refused to receive plastic bags was 63.4%, a much higher than the retail industry average of 47.9%.² In fiscal 2013, we are striving to achieve the target of 70%.

Aeon will continue its environmental conservation activities with customers to create a sustainable society.

- 1. Proceeds: sales price (costs of purchase + consumption tax)
- 2. As of June 2013 (Source: Japan Chain Stores Association)

[Stores which will discontinue providing free shopping bags on November 1]

- 1. Applicable stores: Food department of the 203 AEON GMS stores in Honshu, Shikoku, and Kyushu areas. (All stores in Hokkaido and Okinawa have already discontinued.)
- Price of shopping bags: A LL-size biomass-based bag for 5 yen including tax. In Kyushu, two sizes (LL-size for 5 yen; L-size for 3 yen) will be available. The current discount of 2 yen for customers who do not receive store bags will be terminated.
- Proceeds from shopping bags: All the proceeds will be donated to local environmental conservation activities
- 4. Customer notification: In-store notification from the middle of September 2013.

[Reference]

Discontinuation of providing free shopping bags at AEON stores

			Already implemented	Start from Nov.1, 2013	Total
GMS (AEON)	AEON Hokkaido	Hokkaido	28 (all)	N/A	28
	AEON Retail	Tohoku	27	12	39
		North Kanto	34	7	41
		South Kanto	3	56	59
		Hokuriku Shinetsu	14	24	38
		Tokai	54	1	55
		East Kinki	9	14	23
		West Kinki	14	42	56
		Chugoku Shikoku	21	14	35
	AEON Kyushu	Kyushu	11	33	44
	AEON Ryukyu	Okinawa	5 (all)	N/A	5
		Total	220	203	423(all)

[Aeon's efforts to reduce shopping bag consumptions]

Through a range of initiatives as follows, Aeon works with customers to reduce shopping bag usages, and thereby reduce the consumption of oil resources, the raw materials of shopping bags, and the emissions of CO_2 from the production process of shopping bags:

- 1991 Launched the "Bring Your Own Shopping Bag" campaign
- 2000 Launched the My Basket campaign Winning customers' support for its environmental friendliness and convenience, the campaign sees the annual sales of 250,000 baskets
- 2007 Started to discontinue providing plastic shopping bag for free JUSCO (currently AEON) Higashiyama Nijo Store became the first national chain store outlet which terminated the provision of free shopping bags.
- 2009 Started to donate proceeds from the sale of shopping bags to local communities. In fiscal 2012, approx. 86 million yen was donated to local environmental conservation activities.
- 2011 Shifted the raw materials of paid-for shopping bags from oil to biomass
- 2013 Acquired biomass certifications from international certification agencies, SGS SA and UL Inc.



A paid-for biomass-based shopping bag