



Dec 19, 2014
AEON CO., LTD.
AEON AGRI CREATE Co., Ltd.

The first retailer to produce rice under the Farmland Intermediary Management Institutions

AEON AGRI CREATE Starts Rice Production

On April 1, 2015

Concluding an Agricultural Promotion Agreement with Hanyu City on Dec 19, 2014

Aeon Agri Create Co., Ltd. (hereafter, Aeon Agri Create) , which aims at establishing business model of suburban agriculture and large-scale high efficiency agriculture, will start rice production in Aeon's directly operated farm Saitama Hanyu Farm on April 1, 2015. This will be the first initiative by a major retail company to conduct rice production under the Farmland Intermediary Management Institutions.

Ahead of the commencement of the initiative, Aeon Agri Create concludes an Agricultural Promotion Agreement with Hanyu City, Saitama Prefecture on December 19, 2014. Beginning with this agreement, the company will hire some 20 people from the local area, and start cooperating with the City for vitalizing the regional agriculture through various initiatives such as nurturing future generation for agriculture and promoting dietary education.

Saitama Hanyu Farm, which had opened in October 2010, has produced leaf vegetables such as cabbages and Chinese cabbages. These vegetables are sold in general merchandise stores, Aeon in Saitama Prefecture and other areas around Tokyo. The freshness and reasonable price of the vegetables have gained high popularity among many customers.

The rice field is rented under the system of Farmland Intermediary Management Institutions established in December 2013. The land is located nearby Saitama Hanyu Farm, spreading across 11 ha. A Prefecture-recommended rice, *Sai no Kagayaki* (Sparkle of Color) is to be grown as a main produce, which are disease-resistant and soft and lightly sweet when cooked.

We will start production at the end of April 2015 and harvest at the end of September in the same year. The farm produce will be sold in the Aeon stores in Saitama Prefecture as well as other areas around Tokyo from the end of October.

Following the kick-off of rice production in Saitama Hanyu Farm, Aeon Agri Create will make further efforts in supplying fresh and tasty agricultural produce that ensures food safety and security while promoting locally-oriented business.

Saitama Hanyu Farm Overview

Name: Saitama Hanyu Farm, AEON AGRI CREATE Co., Ltd.
Location: Myo, Hanyu city, Saitama Prefecture. (The rice field is in Hotto, Hanyu City.)
Producer: AEON AGRI CREATE Co., Ltd.
Chief field manager: 1, Deputy chief field manager: 1, Field workers: 3, Part timers: 22
(20 part timers are planned to be employed for rice production)
Land space: 11ha for rice and 17ha for vegetable. Total 28ha.
Products: Rice (The *Sai no Kagayaki* variety, etc.), planted at the end of April and harvested at the end September 2015.
Vegetables include cabbages, Chinese cabbages, onions, etc.

AEON AGRI CREATE Co., Ltd.

Trade name:	AEON AGRI CREATE Co., Ltd.
Representative:	Yasuaki Fukunaga, President and CEO
Location of Headquarters:	1-5-1 Nakase, Mihama-ku, Chiba-shi, Chiba
Established:	July 10, 2009
Business:	Producing, processing, wholesaling, and retailing fruits and vegetables
Fiscal period:	The end of February
Capital:	50 million yen
Shareholder:	AEON CO., LTD. 100%