Consolidated Financial Results (Japanese Accounting Standards) for the First Quarter of the Fiscal Year Ending February 28, 2014

July 3, 2013

Company name	Aeon Mall Co., Ltd.	Listings	The First Section of the Tokyo Stock Exchange
Securities code	8905	URL	http://www.aeonmall.com/en/ir/index.html
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Scheduled dates:

Submission of statutory quarterly financial report	July 10, 2013
Commencement of dividend payments	–
Supplementary documents for quarterly results	Yes
Quarterly results briefing	Yes (for institutional investors and analysts)

(Amounts in millions of yen rounded down to the nearest million yen)

1. Consolidated Financial Results for the First Quarter of the Year Ending February 28, 2014 (March 1, 2013 to May 31, 2013)

(1) Consolidated Operating Results (Percentage figures represent year-on-year changes)

	Operating revenue		Operating income		Ordinary income		Net income	
First Quarter ended	million yen	%	million yen	%	million yen	%	million yen	%
May 31, 2013	42,753	11.3	10,939	10.9	10,717	15.2	6,254	18.4
May 20, 2012	38,399	8.6	9,864	6.4	9,304	4.8	5,284	119.0

(Note) Comprehensive income First quarter ended May 31, 2013 10,308 million yen (88.2 %)
First quarter ended May 20, 2012 5,476 million yen (124.0 %)

	Net income per share	Net income per share (diluted)
First Quarter ended	yen	yen
May 31, 2013	34.52	34.51
May 20, 2012	29.17	29.16

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	million yen	million yen	%
May 31, 2013	692,200	226,937	32.2
February 28, 2013	630,887	217,776	34.1

(Note) Equity May 31, 2013: 223,209 million yen February 28, 2013: 215,046 million yen

2. Dividends

	Dividend per share				
(Record date)	First quarter-end	First half-end	Third quarter-end	Fiscal year-end	Annual
	yen	yen	yen	yen	yen
Year ended February 28, 2013	–	11.00	–	11.00	22.00
Year ending February 28, 2014	–				
Year ending February 28, 2014 (Projection)		11.00	–	11.00	22.00

(Note) 1. Revisions to dividend projection published most recently: None
2. The Company plans to split one share of common stock into 1.1 shares effective August 1, 2013, but there is no change to the dividend projection.

3. Consolidated Earnings Projections for the Year Ending February 28, 2014 (March 1, 2013 to February 28, 2014)

(Percentage figures represent changes from the corresponding period of the previous fiscal year)

	Operating revenue		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
First half	87,000	12.9	20,000	5.8	19,000	7.0	10,700	13.8	54.97
Full year	180,000	11.5	43,000	3.0	41,000	3.1	22,500	2.9	106.57

(Note) 1. Revisions to dividends projections published most recently: None
2. Beginning the fiscal year ended February 28, 2013, the Aeon Mall Group has moved the fiscal year end from February 20th to the last day of February. Consequently, the full-year percentage change (%) indicates percentage change from results recorded for a period of 12 months and 8 days.

* Notes

(1) Material changes in consolidated subsidiaries during the period (changes in specific subsidiaries resulting in a change in the scope of consolidation): Yes

New: 2 companies

Company name HANGZHOU YUHANG LIANGZHU MALL REAL ESTATE DEVELOPMENT CO., LTD.
PT. AMSL DELTA MAS

Excluded: – companies

Company name –

(2) Application of special accounting treatment for the preparation of quarterly consolidated financial statements: Not applicable

(3) Changes to accounting policies, changes of accounting estimates, and revisions and restatements

[1] Changes in accounting policies in accordance with changes in accounting principles: None
[2] Changes in accounting policies other than the above: None
[3] Changes in accounting estimates: None
[4] Revisions and restatements: None

(4) Number of shares issued and outstanding (common stock)

[1] Number of shares issued at period-end (including treasury stock)

May 31, 2013:	181,158,107 shares	February 28, 2013:	181,156,907 shares

[2] Treasury stock at period-end

May 31, 2013:	11,010 shares	February 28, 2013:	10,710 shares

[3] Average number of shares issued

May 31, 2013:	181,147,036 shares	May 20, 2012:	181,138,537 shares

* Status of a quarterly review

The quarterly consolidated financial statements under the Financial Instruments and Exchange Act have not been reviewed at the time of the announcement of these consolidated financial results, as these results are excluded from quarterly review procedures based on said Act.

* Explanations and other special notes concerning the appropriate use of earnings projections

(Notes concerning statements about the future, etc.)

1. The statements about the future, including earnings projections, included in this report are based on information currently available to the Company and certain assumptions considered reasonable, which do not guarantee the achievement of such projected results. Actual results may vary considerably from these projections due to a range of factors. See "(3) Qualitative information on consolidated earnings forecast" of "1. Qualitative Information on Quarterly Consolidated Operating Results," on page 5 of the Accompanying Materials for the assumptions of the earnings forecasts and points to note in the use of earnings forecasts.
2. Aeon Mall Co., Ltd. issued 23,500,000 shares of common stock through a public offering with a payment date of June 19, 2013. The Company also plans to issue up to 2,500,000 shares of common stock to Nomura Securities Co., Ltd. through third-party allotment in connection with an over-allotment sale with a payment date of July 12, 2013. Furthermore, the Company plans to split one share of common stock into 1.1 shares effective August 1, 2013. Net income per share stated in full-year earnings projections for the year ending February 28, 2014 is recalculated on the assumption that 2,500,000 shares of common stock will be issued through the aforementioned third-party allotment, in addition to the increase of 23,500,000 shares of common stock through the aforementioned public offering, and also takes the impact of the share split into consideration.

(Procedure for obtaining supplementary information on financial results)

Aeon Mall is scheduled to hold a financial briefing for institutional investors and analysts on July 5, 2013. The materials handed out at this briefing will be posted on the Company's web page on July 3, 2013, and the audio recording will be made available on the Company's web page as soon as possible after the briefing.

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1. Qualitative Information on Quarterly Consolidated Operating Results

(1) Qualitative information on consolidated operating results

Aeon Mall, the core operator of the AEON Group's developer business, aims to become the representative developer in Asia, and is working to establish a management base to ensure continuous growth and profitability.

The AEON Group is focusing on the autonomous growth of each business and the generation of synergies between group companies by integrating and reorganizing businesses and functions, establishing a single brand name for each business format, and promoting the specialization of Group companies. To achieve rapid group-wide growth, the Group is also pushing ahead with growth strategies aimed at transition to a new stage of growth, looking ahead to fiscal 2020.

Aeon Mall has formulated the Aeon Group Medium-Term Management Plan covering the three years from the fiscal year ending February 2012 to the fiscal year ending February 2014. Under this plan, we are pursuing integration of overlapping functions in the AEON Group's mall business, focusing on enhancing the business base in Japan by expanding the business network and strengthening profitability, and working to establish a business base for expansion in the new growth markets of China and the ASEAN region.

With regard to the function integration of the developer business, we have launched the AEON Doyutenkai (store association), made up of specialty store operators that open stores in the AEON Group's malls and shopping centers, and have integrated marketing functions under Aeon Mall. As Japan's largest shopping mall developer and operator, we aim to expand profits by leveraging the economies of scale of our 120 malls. We are also integrating the developer business functions under Aeon Mall, accelerating new mall openings and developing new locations in Japan, and offering experiential consumption and new mall functions to meet the needs of a broad range of age groups, including the senior stratum of society which is set to grow further going forward. We are also pursuing initiatives to open malls in China and ASEAN countries.

i) Overview of the first quarter under review

During the first quarter under review, the Aeon Mall Group opened three malls in Japan, including one under a property management (PM) contract, and also made preparations for two mall opening scheduled for in the second half of the fiscal year. The Group also renewed seven of its existing malls.

In overseas businesses, the group won new development contracts in China, Cambodia, Indonesia and Vietnam.

With the first-quarter results of existing malls up from the same period a year ago and with new malls also contributing to earnings, the Group successfully absorbed advance costs associated with growth measures in Japan and overseas and achieved increase revenues and profits.

During the first quarter under review, the Group also implemented structural reforms aimed at establishing a management structure to support future growth. To strengthen profitability, the Group sought to efficiently introduce specialty stores suited to markets and to conduct sales activities which were effective in attracting customers. The Group also integrated sales and leasing organizations into one organization with the aim of further strengthening support for tenant stores and initiatives for improving customer satisfaction. We developed development organizations to steadily complete the increasing number of new development projects in Japan, reinforced the support structure for overseas business, and strengthened functions for HR development. Furthermore, to speedily implement growth strategies and maximize corporate value, we established a new Finance and Accounting Division and transferred control of the Finance and Accounting Department from Administrative Division to the new Finance and Accounting Division to strengthen the corporate finance function.

Domestic Businesses

Three new malls were opened: ÆON Mall Kasukabe (Saitama Prefecture) and ÆON Mall Tsukuba (Ibaraki Prefecture) in March, and Kobe Harborland umie (Hyogo Prefecture), which opened in April as a property under a management contract.

In addition to a wide array of specialty stores, ÆON Mall Kasukabe offers service functions in the form of a Clinic Zone and a Money Plaza, which provides banking, credit, insurance and housing services. It also has an extensive Hobby/Lifestyle Zone

ÆON Mall Tsukuba is a mall based on a new concept. Its biggest feature is its large leisure zone where visitors can have fun in two outer wings called the East Village and the West Village. The East Village is home to a farmers' market and restaurant established by agricultural corporations within Ibaraki Prefecture, and Harley Davidson and Aeon Bike motor sports and cycling specialty stores. The West Village is home to a bakery restaurant providing both a dog run and a dog café, an integrated sports center equipped with futsal courts produced by the local football club, and a camping car store, and outdoor clothing and equipment store.

At Kobe Harborland umie, the Company received a commission for work related to redevelopment and operation/management following withdrawal of the department store that was the core store of the previous mall in March 2012. Kobe Harborland umie is located in Kobe Haborland, Kobe's top tourist destination, and is an

urban mall with 225 specialty stores, including 13 stores opening for the first time in Kansai and 40 stores opening for the first time in Kobe, in addition to all the latest overseas brands.
Furthermore, on March 1, 2013, the Company acquired ÆON Mall Kyoto (Kyoto Prefecture), which was previously managed under a PM contract, and now operates and manages the mall as its own.
New Malls in the Fiscal Year Ending February 28, 2014

Name of Mall	Location	Opening Date
ÆON Mall Kasukabe	Saitama Prefecture	March 3013
ÆON Mall Tsukuba	Ibaraki Prefecture	March 2013
Kobe Harborland umie*	Hyogo Prefecture	April 2013
ÆON Mall Toin (Tentative name)	Mie Prefecture	November 2013
ÆON Mall Makuharishintoshin	Chiba Prefecture	December 2013

* Property under management contract

The Group renewed some of its existing malls, transforming them entirely by introducing new specialty stores and changing the retail format of existing specialty stores or relocating them.
Malls renewed in the quarter under review

Name of Mall	Location	Date reopened	Tenants	New specialty stores (1) (See Note)	Relocations & refurbishments (2)	No. of specialty stores on reopening (1) + (2)
ÆON Mall Takasaki	Gunma Prefecture	March 15	170	43 (41)	76	119
ÆON Mall Musashimurayama	Tokyo Metropolis	March 19	180	35 (7)	46	81
ÆON Mall Tsurumi Ryokuchi	Osaka Prefecture	March 20	160	25 (7)	43	68
ÆON Mall Kobe Kita	Hyogo Prefecture	March 22	165	14 (4)	47	61
ÆON Mall Natori	Miyazaki Prefecture	April 19	170	24 (12)	36	60
ÆON Mall Ota	Gunma Prefecture	April 19	170	18 (10)	38	56
ÆON Mall Kochi	Kochi Prefecture	April 26	140	30 (26)	52	82

(Note) Figures in brackets represent new specialty stores opening for the first time in the prefecture.

Overseas Businesses
In China business, at ÆON Mall Beijing International Mall (Beijing), ÆON Mall Tianjin TEDA (Tianjin) and ÆON Mall Tianjin Zhongbei (Tianjin) opened in April 2012, customers and sales far exceeded the previous year's level, and the Group is focusing on further expansion in results. In terms of new malls, the Group is preparing to open ÆON Mall Tianjin Meijiang (Tianjin) and other malls, which are scheduled to open in the current fiscal year, as well as other malls which it plans to open from next fiscal year. The Group is also promoting the acquisition of new development projects.
In ASEAN business, at ÆON Mall Phnom Penh, the first Aeon mall in Cambodia, construction started in December 2012 for opening in 2014, and we are making good progress in attracting tenants.
Similarly, in Indonesia, we are preparing to open ÆON Mall BSD (tentative name) (Banten, Tangerang; scheduled to open in 2014), which is located in the suburbs southwest of Jakarta. The area in which the mall will be opened has been under extensive development since 2003 and extension of the expressway is planned in the future. Development plans include plans for residences, industrial facilities, schools, hospitals, a golf course and sports facilities, and the area holds great promise to grow. Several other projects, including a second mall, are also taking shape.
In Vietnam, the opening of ÆON Mall Long Bien, which will be the first Aeon mall in Hanoi, has been fixed for 2015. The Aeon Group is also working with Aeon's Vietnamese subsidiary towards other planned openings, including tenant leasing for ÆON Tan Phu Celadon Shopping Center, which will be the first Aeon mall in Ho Chi Minh City and is scheduled to open in 2014, and ÆON Binh Duong Canary Shopping Center (tentative name), the second Aeon mall in Binh Duong, and the Aeon Group plans to take charge of their management and operation after opening.

The Group has also made a start on starting initiatives for business expansion in Myanmar.

Financial Status

Operating revenue for the first quarter totaled 42,753 million yen (111.3% year on year). Operating cost amounted to 28,219 million yen (111.0% year on year) due to business expansion, but thanks to a higher operating revenue growth, gross profit was 14,533 million yen (112.0% year on year).

While selling, general and administrative expenses rose to 3,593 million yen (115.5% year on year) due to reinforcement of the structure for the expansion of openings in Japan, an increase in overseas business locations for the accelerated expansion in China and the ASEAN region and an increase in the advance cost of securing more development projects both inside and outside Japan, operating income increased to 10,939 million yen (110.9% year on year).

Ordinary income included non-operating profits of 560 million yen (272.4% year on year) and non-operating expenses of 783 million yen (102.3% year on year), which resulted in 10,717 million yen (115.2% year on year).

Net income rose 969 million yen from a year ago, to 6,254 million yen (118.4% year on year)

(2) Qualitative information on consolidated financial position

i) Assets, Liabilities and Net Assets

Assets

Total assets stood at 692,200 million yen, up 61,313 million yen from February 28, 2013. This reflected the acquisition of property, plant and equipment of 64,442 million yen, mainly for the opening of new shopping malls, the acquisition of land for future development, and the acquisition of ÆON Mall Kyoto which was previously managed under a PM contract, an increase of 3,604 million yen in cash and cash equivalents, and a decrease of 5,966 million yen in fixed assets due to depreciation and a decrease of 8,000 million yen in deposits to associated companies.

Liabilities

Total liabilities stood at 465,263 million yen, up 52,153 million yen from February 28, 2013. This increase primarily reflected a 44,155 million yen net increase in short-term borrowings and commercial paper, and a 24,575 million yen increase in notes payable-facilities (included in 'Other current liabilities'), and a decrease of 7,703 million yen in long-term debt (including the current portion of long-term debt) and a 5,845 million yen decrease in deposits from tenants (included in 'Other current liabilities').

Net assets

Consolidated net assets on May 31, 2013 stood at 226,937 million yen, up 9,160 million yen from February 28, 2013. This primarily reflected an increase in retained earnings due to the 6,254 million yen in net income.

ii) Cash Flows

Cash and cash equivalents ("cash") as of may 31, 2013 amounted to 30,729 million yen, down 8,563 million yen from February 28, 2013.

Cash flows in the first quarter were as follows:

Cash flows from operating activities

Net cash used in operating activities was 4,665 million yen (compared with 32,407 million yen in the first quarter of the previous fiscal year). The major contributors to this outcome were a decrease in deposits from tenants (included in 'Increase (decrease) in other current liabilities') of 5,866 million yen (compared with a 30,586 million yen increase in the first quarter of the previous fiscal year), income taxes paid of 9,330 million yen (compared with 7,183 million yen in the first quarter of the previous fiscal year), income before income taxes and minority interests of 10,591 million yen (compared with 9,245 million yen in the first quarter of the previous fiscal year), and depreciation and amortization of 5,966 million yen (compared with 5,209 million yen in the first quarter of the previous fiscal year).

Cash flows from investment activities

Net cash used in investing activities amounted to 40,167 million yen (compared with 6,282 million yen in the first quarter of the previous fiscal year). Major contributors included the payment of 37,475 million yen (6,829 million yen in the first quarter of the previous fiscal year) for the purchase of property, plant and equipment, including the cost of facilities of ÆON Mall Fukutsu, which opened the previous fiscal year, the purchase of land for future development, and the acquisition of ÆON Mall Kyoto, which was previously operated under a PM contract.

Cash flows from financing activities

Net cash provided by financing activities was 34,406 million yen (compared with 2,840 million yen in the first quarter of the previous fiscal year). This was largely the result of a net increase in short-term borrowings and commercial paper of 44,154 million yen (a net decrease of 7,000 million yen in the first quarter of the previous fiscal year), proceeds from long-term debt of 6,000 million yen (25,400 million yen in the first quarter of the

previous fiscal year), repayment of long-term debt of 14,569 million yen (13,560 million yen in the first quarter of the previous fiscal year), and 1,992 million yen used for dividends paid (1,992 million yen in the first quarter of the previous fiscal year).

(3) Qualitative information on consolidated earnings forecast

In terms of new malls, the Company plans to open ÆON Mall Toin (tentative name) (Mie Prefecture) in November, and ÆON Mall Makuharishintoshin (Chiba Prefecture), which will be a flagship mall that harnesses all the expertise of the AEON Group, in December.

In terms of the revitalization of existing malls, we will strive to increase the customer appeal of our malls by renewing another six malls after the seven malls renewed in the first quarter, and undertaking promotional activities using the infrastructure of the Aeon Group, such as nationwide simultaneous campaigns, Aeon cards and the electronic money WAON.

This April, we integrated the AEON Group's leasing functions under Aeon Mall, and we will seek to expand profits by increasing cooperation with tenant corporations to strengthen support for tenant stores. We are also examining integrating the Aeon Group's mall management and operation functions under Aeon Mall through a property management contract arrangement to further improve business efficiency.

In China and ASEAN businesses, we plan to push ahead with preparations for new mall openings and secure new development contracts. In China, we will steadily acquire new development projects for 2015 and beyond, and establish a holding company that will centralize the functions of business investment and management (a holding company under Chinese law). At our local subsidiaries in Cambodia, Indonesia and Vietnam, we will enhance human capital to strengthen the management structure for business expansion.

We are strategically making aggressive investments, both in Japan and overseas, to achieve these growth strategies, and issued 23,500,000 shares of common stock by way of public offering with a payment date of June 19. Through this public offering, we will secure the capital necessary for measures to accelerate growth. We will also seek diversification of fund procurement methods, including utilization of asset securitization, and will strengthen the financial base to support medium- and long-term growth.

Changes in the total number of shares issued due to the recent capital increase through public offering and the use of the proceeds to be raised are as set out below.

(i) Changes in total number of shares issued

Current total number of shares issued	181,158,107 shares (as of May 31, 2013)
Increase in shares due to capital increase through public offering	23,500,000 shares
Total number of shares issued after capital increase through public offering	204,658,107 shares

In addition to the foregoing, the Company plans to issue up to 2,500,000 shares of common stock by way of third-party allotment to Nomura Securities Co., Ltd. in connection with an over-allotment sale with payment date July 12, 2013, and shares of common stock of the Company may be issued additionally.

(ii) Use of the proceeds to be raised

The proceeds from the recent capital increase through public offering of 45,847,600,000 yen and proceeds of up to 4,877,000,000 yen from the issuance of new shares by way of third-party allotment with a payment date of July 12, 2013, the sum of which is estimated to be up to 50,724,600,000 yen are scheduled to be all applied towards capital injection into new malls by the end of the fiscal year ending February 28, 2015.

* For details of capital expenditure plans, please refer to the 'Notice Concerning Issuance of New Shares, Secondary Offering of Shares and Stock Split' issued on June 3, 2013.

Consolidated earnings forecasts for the fiscal year ending February 28, 2014 are unchanged from the forecasts in the Consolidated Financial Results for the Year Ended February 28, 2013 announced April 9, 2013.

(4) Return to shareholders, etc.

The Company plans to split shares of common stock of the Company held by shareholders as of July 31, 2013 at a ratio of 1.1-for-1 (effective August 1, 2013). The Company plans to maintain the annual dividend at 22 yen per share (interim dividend of 11 yen per share), which will mean a 10% increase in dividend in real terms.

The Company was targeting an annual dividend payout ratio of 15%, but has decided to increase the dividend payout ratio to 20% in the future and to pay greater returns to its shareholders.

* For further details on the issuance of new shares and the stock split, please refer to '3. Quarterly Consolidated Financial Statements (7) Significant subsequent events' on page 12 of the Accompanying Materials.

2. Matters Regarding Summary Information (Notes)

(1) Material changes in consolidated subsidiaries during the period

HANGZHOU YUHANG LIANGZHU MALL REAL ESTATE DEVELOPMENT CO., LTD. and PT. AMSL DELTA MAS are included in the scope of consolidation, as these companies were established during the first quarter under review.

(2) Application of special accounting treatment for the preparation of quarterly consolidated financial statements

Not applicable

(3) Changes to accounting policies, changes of accounting estimates, and revisions and restatements

Not applicable

3. Quarterly Consolidated Financial Statements

(1) Quarterly consolidated balance sheets

(Million yen)

	As of February 28, 2013	As of May 31, 2013
Assets		
Current assets:		
Cash and deposits	33,312	36,917
Notes and accounts receivable—trade	2,261	2,052
Other current assets	27,521	25,441
Allowance for doubtful receivables	–	(4)
Total current assets	63,095	64,406
Fixed assets:		
Property, plant and equipment:		
Building and structures, net	276,947	316,434
Land	177,065	199,419
Other, net	18,356	16,229
Total property, plant and equipment	472,369	532,083
Intangible assets:	3,326	3,465
Investments and other assets:		
Lease deposits paid	52,792	49,047
Other	39,397	43,277
Allowance for doubtful receivables	(94)	(80)
Total investments and other assets	92,095	92,244
Total fixed assets	567,791	627,793
Total assets	630,887	692,200

(Million yen)

	As of February 28, 2013	As of May 31, 2013
Liabilities		
Current liabilities:		
Notes and accounts payable—trade	4,432	7,176
Short-term borrowings	–	24,155
Bonds due within one year	10,000	10,000
Current portion of long-term debt	31,397	25,564
Commercial paper	–	20,000
Income taxes payable	9,501	3,995
Allowance for employee bonus	608	350
Allowance for director and auditor performance-based remuneration	48	27
Provision for store closing expenses	–	300
Other current liabilities	67,627	82,961
Total current liabilities	123,614	174,530
Long-term liabilities:		
Straight bonds	48,200	48,200
Long-term debt	130,548	128,678
Accrued retirement benefits to employees	199	200
Asset retirement obligations	6,235	6,265
Lease deposits from lessees	103,633	107,022
Other long-term liabilities	678	366
Total long-term liabilities	289,495	290,733
Total liabilities	413,110	465,263
Net assets		
Shareholders' equity:		
Common stock	16,691	16,693
Capital surplus	17,000	17,001
Retained earnings	177,790	182,052
Treasury stock, at cost	(28)	(29)
Total shareholders' equity	211,454	215,718
Accumulated other comprehensive income:		
Net unrealized gain on available-for-sale securities	329	423
Foreign currency translation adjustment	3,261	7,067
Total accumulated other comprehensive income	3,591	7,490
Stock acquisition rights	141	168
Minority interests	2,588	3,559
Total net assets	217,776	226,937
Total liabilities and net assets	630,887	692,200

(2) Consolidated statements of income and consolidated statements of comprehensive income
(Quarterly consolidated statements of income)
(For the three months ended May 20, 2012 and May 31, 2013)

(Million yen)

Three months ended	May 20, 2012	May 31, 2013
Operating revenue	38,399	42,753
Operating costs	25,423	28,219
Gross profit	12,975	14,533
Selling, general and administrative expenses	3,111	3,593
Operating income	9,864	10,939
Non-operating profits:		
Interest income	101	142
Compensation paid by departing tenants	68	158
Other non-operating profits	35	260
Total non-operating profits	205	560
Non-operating expenses:		
Interest expenses	627	674
Other non-operating expenses	138	109
Total non-operating expenses	765	783
Ordinary income	9,304	10,717
Extraordinary gains:		
Other extraordinary gains	0	0
Total extraordinary gains	0	0
Extraordinary losses:		
Loss on disposal of fixed assets	47	–
Other extraordinary losses	11	125
Total extraordinary losses	58	125
Income before income taxes and minority interests	9,245	10,591
Income taxes		
—Current	3,725	3,915
—Deferred	218	406
Total income taxes	3,944	4,322
Income before minority interests	5,301	6,269
Minority interests in net income	16	15
Net income	5,284	6,254

(Quarterly consolidated statements of comprehensive income)
(For the three months ended May 20, 2012 and May 31, 2013)

(Million yen)

Three months ended	May 20, 2012	May 31, 2013
Income before minority interests	5,301	6,269
Other comprehensive income		
Net unrealized gain on available-for-sale securities	18	93
Foreign currency translation adjustment	157	3,945
Total other comprehensive income	175	4,039
Comprehensive income	5,476	10,308
Comprehensive income attributable to:		
Owners of the Company	5,460	10,153
Minority interests	16	155

(3) Quarterly consolidated statements of cash flows

(Million yen)

Three months ended	May 20, 2012	May 31, 2013
Cash flows from operating activities:		
Income before income taxes and minority interests	9,245	10,591
Depreciation and amortization	5,209	5,966
Interest and dividend income	(114)	(156)
Interest expenses	627	674
Decrease (increase) in receivable—trade accounts	441	247
Decrease (increase) in other current assets	(6,899)	(6,677)
Increase (decrease) in payable—trade accounts	1,553	2,705
Increase (decrease) in other current liabilities	30,672	(8,588)
Other, net	187	588
Subtotal	40,923	5,350
Interest and dividends received	31	46
Interest paid	(759)	(732)
Payments for loss on disaster	(605)	–
Income taxes paid	(7,183)	(9,330)
Net cash provided by (used in) operating activities	32,407	(4,665)
Cash flows from investing activities:		
Purchase of property, plant and equipment	(6,829)	(37,475)
Purchase of investment securities	(280)	–
Payment of lease deposits to lessors	(172)	(1,495)
Reimbursement of lease deposits to lessors	340	723
Repayment of lease deposits from lessees	(1,107)	(2,634)
Proceeds from lease deposits from lessees	2,266	2,740
Other payments	(681)	(6,975)
Other proceeds	181	4,948
Net cash used in investing activities	(6,282)	(40,167)
Cash flows from financing activities:		
Net increase (decrease) in short-term borrowings and commercial paper	(7,000)	44,154
Proceeds from long-term debt	25,400	6,000
Repayment of long-term debt	(13,560)	(14,569)
Purchase of treasury stock	–	(0)
Dividends paid	(1,992)	(1,992)
Dividends paid to minority shareholders	(6)	(6)
Other	–	821
Net cash provided by financing activities	2,840	34,406
Foreign currency translation adjustments on cash and cash equivalents	103	1,863
Net increase (decrease) in cash and cash equivalents	29,068	(8,563)
Cash and cash equivalents at beginning of the period	8,440	39,292
Cash and cash equivalents at end of the period	37,509	30,729

(4) Notes on the going concern assumption

Not applicable

(5) Notes on significant change in shareholders' equity, if any

Not applicable

(6) Segment information

This information is omitted since the Group operates solely within the shopping mall business.

(7) Significant subsequent events

(Significant issuance of new shares)

The Board of Directors of the Company resolved, at a meeting held on June 3, 2013, to issue new shares by way of public offering and to issue new shares by way of third-party allotment in connection with an over-allotment sale, as set forth below. With respect to the issuance of new shares by way of public offering, the Company received payment on June 19, 2013.

1. Issuance of new shares by way of primary offering (the public offering)

(1)	Class and number of shares issued	23,500,000 shares of common stock
(2)	Issue price	2,046 yen per share
(3)	Total amount of the issue price	48,081,000,000 yen
(4)	Amount to be paid	1,961.60 yen per share
(5)	Total amount to be paid	46,097,000,000 yen
(6)	Amount of stated capital and additional paid-in capital to be increased	
	The amount of stated capital to be increased	23,048,000,000 yen
	The amount of the additional paid-in capital to be increased	23,048,000,000 yen
(7)	Payment date	June 19, 2013

2. Secondary Offering of Shares of the Company ("Secondary Offering by way of Over-Allotment")

(1)	Number of shares to be sold	2,500,000 shares
(2)	Selling price	2,046 yen per share
(3)	Total amount of the selling price	5,115,000,000 yen
(4)	Delivery date	June 20, 2013

3. Issuance of new shares by way of third-party allotment (third-party allotment in connection with an over-allotment sale)

(1)	Class and number of shares to be issued	2,500,000 shares of common stock
(2)	Amount to be paid	1,961.60 yen per share
(3)	Total amount to be paid	(Maximum) 4,904,000,000 yen
(4)	Amount of stated capital and additional paid-in capital to be increased	
	The amount of stated capital to be increased	(Maximum) 2,452,000,000 yen
	The amount of the additional paid-in capital to be increased	(Maximum) 2,452,000,000 yen
(5)	Allottee and number of shares to be allotted	
	Nomura Securities Co., Ltd.	2,500,000 shares
(6)	Payment date	July 12, 2013

4. Use of proceeds to be raised

   The Company plans to apply all the proceeds towards capital injection into new malls to steadily develop malls both in Japan and overseas and to strengthen competitiveness and further enhance profitability.

(Stock split)

The Board of Directors of the Company resolved, at a meeting held on June 3, 2013, to conduct a stock split, as set forth below.

(1) Purpose of stock split

The purpose of the stock split is to return profits to shareholders, to increase the liquidity of the Company's stock, and to expand the investor base.

(2) Overview of the stock split

(i) Method of the stock split

Shares of common stock of the Company held by shareholders recorded in the final registry of shareholders as of the record date of July 31, 2013 will be split at a ratio of 1.1-for-1. The fractional shares resulting from the stock split will be collectively purchased, and the proceeds will be distributed to the shareholders with such fractional shares in accordance with the fraction.

(ii) Increase in number of shares due to the stock split

Increase in the number of shares is calculated by multiplying the total number of shares issued as of July 31, 2013 by 0.1.

Total number of shares issued as of May 31, 2013	181,158,107 shares
Increase in number of shares due to capital increase through public offering	23,500,000 shares
Total number of shares issued after capital increase through public offering	204,658,107 shares
Increase in number of shares due to capital increase through third-party allocation (tentative)	2,500,000 shares
Total number of shares issued after capital increase through third-party allocation (tentative)	207,158,107 shares
Increase in number of shares due to the stock split (tentative)	20,715,810 shares
Total number of shares issued after the stock split (tentative)	227,873,917 shares

(3) Schedule of the stock split

Public notice of the record date	July 16, 2013
Record date	July 31, 2013
Effective date	August 1, 2013

(4) Effect on per share information

Per share information calculated assuming that the stock split was conducted at the beginning of the previous consolidated fiscal year is as follows:

	Three months ended May 20, 2012 (February 21, 2012 to May 20, 2012)	Three months ended May 31, 2013 (March 1, 2013 to May 31, 2013)
Net income per share	26.52 yen	31.38 yen
Net income per share (diluted)	26.51 yen	31.37 yen