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Financial Results for the Nine Months ended November 30, 2013

January 10, 2014

Company name	**Aeon Co., Ltd.**
Listings	The First Section of Tokyo Stock Exchange
Security code	8267
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Scheduled dates:

Submission of statutory quarterly financial report	January 14, 2014
Commencement of dividend payments	-
Supplementary materials to the quarterly results	Available
Quarterly earnings results briefing	Yes (targeted at institutional investors and analysts)

(Amounts rounded down to the nearest million)

1. Consolidated Financial Results for the Nine Months ended November 30, 2013 (March 1, 2013 to November 30, 2013)

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

	Operating revenue		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Nine months ended November 30, 2013	4,621,112	11.8	94,843	(4.1)	98,513	(15.7)	19,927	(46.8)
Nine months ended November 30, 2012	4,133,064	-	98,917	-	116,886	-	37,463	-

Note: Comprehensive income: Nine months ended November 30, 2013: 69,148 million yen (3.6 %)
Nine months ended November 30, 2012: 66,775 million yen (- %)

	Net income per share	Net income per share – fully diluted
	yen	yen
Nine months ended November 30, 2013	24.66	18.30
Nine months ended November 30, 2012	48.23	43.82

Note: Year-on-year changes of the results for the nine months ended November 30, 2012 are not presented herein, because retroactive adjustments were made in line with change in the accounting policies.

(2) Financial Position

	Total assets	Net assets	Total equity ratio	Net assets per share
	million yen	million yen	%	yen
November 30, 2013	6,891,644	1,635,423	15.8	1,298.56
February 28, 2013	5,724,835	1,446,676	18.0	1,305.14

Note: Total equity: November 30, 2013: 1,087,417 million yen February 28, 2013: 1,032,586 million yen
Total equity = Shareholders' equity plus total accumulated other comprehensive income.

2. Dividends

Record date or period	Dividend per share				
	End-first quarter	End-second quarter	End-third quarter	Fiscal year-end	Annual total
	yen	yen	yen	yen	yen
Year ended February 28, 2013	-	12.00	-	12.00	24.00
Year ending February 28, 2014	-	13.00	-		
Year ending February 28, 2014 (forecast)				13.00	26.00

Note: No changes were made to the latest release of dividend forecasts

3. Forecast of Consolidated Earnings for the Fiscal Year ending February 28, 2014 (March 1, 2013 to February 28, 2014)

(Percentage figures represent year-on-year changes)

	Operating revenue		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Full year	6,000,000	5.5	200,000 to 210,000	4.9 to 10.2	215,000 to 225,000	1.2 to 5.9	75,000	0.7	89.56

Note: No changes were made to the latest release of earnings forecasts

***Notes**

(1) Changes affecting the consolidation status of significant subsidiaries during the period: Yes
Newly consolidated: one (Daiei Inc.)
*For details, see "2. (1) Changes affecting the status of significant subsidiaries during the period" on page 6 in the Accompanying Materials.

(2) Use of accounting methods specific to preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policy, changes in accounting estimates, and retrospective restatement:
1) Changes in accordance with amendments to accounting standards: None
2) Changes other than the above 1): Yes
3) Changes in accounting estimates: None
4) Retrospective restatement: None
*For details, see "2. (3) Changes in accounting policy, changes in accounting estimates, and retrospective restatement" on page 6 in the Accompanying Materials.

(4) Number of shares issued (common stock)
1) Number of shares issued at end of period (treasury stock included):
November 30, 2013: 846,396,786 shares

February 28, 2013: 800,446,214 shares

2) Number of shares held in treasury at end of period:
November 30, 2013: 8,992,432 shares
February 28, 2013: 9,275,079 shares

3) Average number of shares outstanding during the period:
Nine months ended November 30, 2013: 808,266,103 shares
Nine months ended November 30, 2012: 776,774,408 shares

* The 8,545,000 shares of the Company's stock held by Employee Stock Ownership Plan Trust ("ESOP Trust") is included in the number of shares held in treasury at November 30, 2013

***Quarterly review status**

This report is exempt from the quarterly review of accounts requirements of Japan's Financial Instruments and Exchange Act. As of this report's publication, the quarterly review of the quarterly financial results had not been completed.

***Appropriate Use of Earnings Forecasts and Other Important Information**

The above forecasts, which constitute forward-looking statements, are based on information available to the Company as of the date of the release of this document. Actual results may differ materially from the above forecasts due to a range of factors.

For the assumptions underlying the forecasts herein and other information on the use of earnings forecasts, refer to "(3) Consolidated Earnings Forecast" on page 6 in section "1. Review of Operating Results and Financial Statements" in the Accompanying Materials.

Accompanying Materials

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1. Review of Operating Results and Financial Statements

(1) Consolidated Operating Results

Summary of Operating Results

During the first nine months of the fiscal year ending February 28, 2014 (March 1, 2013 ~ November 30, 2013), amid large-scale monetary easing by the Bank of Japan and economic stimulus measures by the Japanese government, the yen depreciated further and stock prices continued to rise, supporting a mild recovery trend among exporters and other companies in Japan. Although personal consumption showed signs of a modest recovery owing to higher consumer demand for luxury items, consumers continued to be cautious about spending on daily necessities amid concerns over the burden of the April 2014 consumption tax increase on household budgets and stagnant household incomes. Additionally, unseasonable weather during the period led to lower sales of seasonal goods. As a result of these factors, the economic environment surrounding the Aeon Group remained uncertain during the nine-month period.

In the final year of the current Medium-term Management Plan (FY2011-FY2013), Aeon has striven to expand its business by executing a common Group strategy prioritizing Asian markets, urban markets, senior-oriented markets, and digital markets in order to concentrate the allocation of resources to new growth markets. Furthermore, Aeon completed structural reorganization of the financial services and shopping center development businesses in order to bolster the management foundation for future Group growth. In the financial services business, the bank holding company Aeon Financial Service Co., Ltd. was launched in April 2013 as a retail-based financial services group merging retail with finance. In the shopping center development business, in October 2013, Aeon Retail Co., Ltd. transferred its shopping center operation and management business to Aeon Mall Co., Ltd.

As a result, Aeon earned consolidated operating income of 94,843 million yen (down 4.1% year on year), consolidated ordinary income of 98,513 million yen (down 15.7% year on year), and consolidated net income of 19,927 million yen (down 46.8% year on year) on consolidated operating revenue of 4,621,112 million yen (up 11.8% year on year) for the first nine months of the fiscal year ending February 28, 2014.

Business Segment Information

GMS Business

The GMS Business earned operating income of 6,521 million yen (up 2.2% year on year) on operating revenue of 2,146,600 million yen (up 9.7% year on year) for the first nine months of the fiscal year ending February 28, 2014.

The GMS business opened seven new stores and closed six stores during the first nine months of the fiscal year.

The GMS business continued to promote sales area specialization, strengthening sales of Aeon's private brand products, and the refurbishment of existing stores to raise the competitiveness of sales areas and expand earnings. With regard to sales area specialization, Aeon Retail Co., Ltd. and Aeon Liquor Co., Ltd. collaborated to launch specialized liquor stores and assign specialized customer service personnel to the stores to enhance the level of customer service. In October 2013, the newly opened Aeon Liquor Jiyugaoka store launched a new business model to mutually promote customer traffic between brick-and-mortar and Internet businesses, part of Aeon's omni-channel retailing strategy. At Daiei, Inc., which became a consolidated subsidiary in August 2013, existing stores were refurbished by introducing Aeon Group know-how to expand delicatessen areas meeting higher demand for ready made meals. Daiei, Inc. and Aeon took this and other steps to mutually share infrastructure and raise the efficiency of management resources to strengthen profitability.

Aeon Retail Co., Ltd. strove to enhance its ability to draw customers by holding its largest-ever unified sales campaign at approximately 30,000 Group stores and shopping center specialty retailers, along with joint sales campaigns with Daiei, Inc. Aeon Retail Co., Ltd. worked to improve profitability by promoting in-store promotions featuring tablet devices to raise customer awareness of the quality and functions of Aeon private brand TOPVALU, and implementing "TOPVALU Week," a promotion running from the first to the seventh day of each month to expand sales of new and seasonal products. As a result of these efforts, Aeon Retail's same-store sales in the first nine months of the fiscal year ending February 28, 2014 rose 0.2% versus the same period of the previous fiscal year (apparel sales declined 3.6%, food sales rose 0.8%, and housing and recreational product sales rose 2.1% year on year). Directly-operated stores' gross profit margin was on par with the same period of the previous year as a result of efforts to lower inventory levels and limit changes in sales prices. SG&A expenses for existing stores increased 0.5% year on year. Although the company strove to control expenses through the deployment of LED lighting and other store efficiency measures, expenses rose as a result of the active sales promotions, including TV commercials and other mass media advertisements.

Supermarket Business

The Supermarket Business earned operating income of 3,714 million yen (down 67.4% year on year) on operating revenues of 1,155,545 million yen (up 7.6% year on year) for the first nine months of the fiscal year ending February 28, 2014.

The Supermarket Business opened 58 new stores and closed 54 existing stores during the nine-month period (excluding equity-method affiliates, the Supermarket Business opened 43 and closed 24 stores).

The Supermarket business strove to bolster store competitiveness to meet the changing needs of consumers amid a fierce competitive environment highlighted by the active entry of other types of retailers into the food industry. To meet consumer demand for quick and easy meals, new chilled and frozen food cases were introduced to expand the offering of chilled and frozen foods, and delicatessen areas were expanded. These measures helped revitalize sales areas and boost competitiveness. The business also enhanced revenues by expanding the selection of TOPVALU products and leveraging the economies of scale inherent in being Japan's largest supermarket chain to offer unified sales promotions among more than 1,000 stores.

In October 2013, to expand its business in Hokkaido, Maxvalu Hokkaido Co., Ltd. concluded a business and capital alliance agreement with ichimaru Co., Ltd.,., which operates primarily in the Tokachi region.

In November 2013, Maxvalu Tohoku Co., Ltd. and Maxvalu Kitatohoku Co., Ltd. concluded a merger agreement in order to enhance competitiveness and further expand business by concentrating management resources and raising the efficiency of their businesses in the Tohoku region, where both companies operate. Maxvalu Tohoku Co., Ltd. will be the surviving company.

Aeon Maxvalu (Qingdao) Co., Ltd., a Chinese subsidiary of Maxvalu Nishinihon Co., Ltd., opened its first store, HNA Wanbang Zhongxin store, in August 2013.

Strategic Small-size Store Business

The Strategic Small-size Store Business recorded operating income of 3,466 million yen (down 5.8% year on year) on operating revenues of 208,178 million yen (up 18.1% year on year) for the first nine months of the fiscal year ending February 28, 2014.

To promote the shift to urban markets, measures were taken to expand the store network in urban centers and establish a business foundation and price competitiveness was also enhanced by developing TOPVALU products specifically for strategic small-sized stores and actively marketing the products. The improvement in revenues was also the result of maximizing synergies in the Strategic Small-size Store Business including leveraging the know-how of Origin Toshu Co., Ltd. to establish delicatessen areas when opening new My Basket and Acolle stores.

Ministop Co., Ltd. responded to Japanese society's need for quick and easy meals by enhancing ready-to-eat meal and salad areas, while differentiating itself from competitors by continuing to develop in-store fast foods, one of its competitive strengths.

My Basket Co., Ltd. expanded its network to 424 stores at the end of the third quarter. The company accelerated its store expansions, primarily in the Tokyo metropolitan area, and collaborated with Group logistics company Aeon Global SCM Co., Ltd. to maximize its logistics and delivery operations. These measures improved store operation efficiency and profitability.

Financial Services Business

The Financial Services Business earned operating income of 25,097 million yen (up 20.5% year on year) on operating revenue of 206,183 million yen (up 54.5% year on year) for the first nine months of the fiscal year ending February 28, 2014.

Launched in April 2013, bank holding company Aeon Financial Service Co., Ltd. promoted retail-based financial services merging retail with finance, both in and outside Japan. Additionally, as a new business pillar to complement credit cards, banking, insurance, and electronic money, Aeon Financial Service made Aeon Product Finance Co., Ltd. (formerly Toshiba Finance Corporation) a consolidated subsidiary in May 2013. Aeon Product Finance Co., Ltd. will bolster the installment sales business amid growth in such markets as home reform and solar panel installation.

In the e-money business, cumulative issuance of WAON cards during the period rose to approximately 37.2 million cards, and transaction volume in the period totaled 1,128,600 million yen, an increase of 31.6% over the same period of the previous fiscal year.

In the banking business, measures were taken to expand installations of Aeon Bank ATM machines while concluding a strategic ATM partnership with Mizuho Bank which will expand the number of financial institution cards which customers can use to complete transactions to approximately 600. As a result of the greater convenience and the expansion of promotions for fixed-term deposits with preferential interest rates and other services, the number of accounts and amount of deposits in the banking business increased significantly over the same period of the previous year.

Overseas, measures were taken to strengthen the compliance and governance structures, primarily in Hong Kong, Thailand, and Malaysia. Credit cardholder solicitation campaigns and initiatives to expand the participating store network were also taken.

Shopping Center Development Business

The Shopping Center Development Business earned operating income of 29,697 million yen (up 4.2% year on year) on operating revenue of 159,741 million yen (up 9.0% year on year) in the first nine months of the fiscal year ending February 28, 2014.

Aeon Mall Co., Ltd. took measures to improve asset efficiency and strengthen its financial foundation for future growth, including a public offering of new shares in June 2013 and a third-party allotment of shares in July and a third-party allotment of shares in July in order to raise capital, along with the transfer of the property and buildings of six domestic shopping centers to Aeon REIT Investment Corporation in November.

In Japan, Aeon Mall Co., Ltd. opened four shopping centers during the nine-month period, including a property management contract for one center, while refurbishing 11 existing shopping centers.

Overseas, the company continued preparations to open Aeon Mall Tianjin Meijiang in 2014 and secure locations for new malls in China. The company also continued to make preparations for opening Aeon’s first shopping centers in Vietnam, Cambodia, and Indonesia as part of the initiatives to establish a foundation for growth in promising markets in China and ASEAN.

Service Business

The Service Business earned operating income of 14,922 million yen (up 3.2% year on year) on operating revenue of 293,598 million yen (up 11.7% year on year) in the first nine months of the fiscal year ending February 28, 2014.

Aeon Delight Co., Ltd. continued to make new proposals in its comprehensive facilities management business for the total management of buildings and related operations. The company

began offering materials procurement and vending machine installation to companies newly joining the Aeon Group, as well as store maintenance and refurbishment services. Aeon Delight also leveraged its know-how in managing the Aeon Group's large-scale facilities to provide facilities management services outside the Group as well as gradually expand business in China and ASEAN. As a result of these initiatives, the company's revenues improved.

Aeon Fantasy Co., Ltd. has taken steps to consolidate the name of amusement centers in and outside Japan to "Mollyfantasy" in order to raise brand awareness. Additionally, the company strove to strengthen sales promotions and improve revenues through means including distributing discount tickets at individual stores in November 2013 to commemorate reaching 400 stores in operation worldwide.

Specialty Store Business

The Specialty Store Business posted operating income of 3,643 million yen (up 11.3% year on year) on operating revenue of 252,671 million yen (up 4.8% year on year) in the first nine months of the fiscal year ending February 28, 2014.

Despite a severe business environment for apparel stores during the third quarter due to unseasonable weather, the Specialty Store Business achieved a steady increase in sales by leveraging the Group's strengths and taking such proactive measures as sales promotions for Aeon Card and WAON holders along with joint campaigns with Aeon Mall Co., Ltd.

G Foot Co., Ltd. improved profitability by continuing to develop private brand products to meet the diverse needs of customers. At its Green Box shoes stores operated inside GMS stores, G Foot improved customer service and further differentiated itself from competitors by increasing the number of stores with fitting advisors with special training on feet and shoe sizing.

ASEAN Business

(Aeon's consolidated financial statements for ASEAN Business for the first nine months reflect results mainly for January through September.)

The ASEAN Business earned operating income of 4,672 million yen (up 6.9% year on year) on operating revenue of 130,945 million yen (up 90.3% year on year).

The ASEAN Business opened one GMS store, 11 supermarkets, and one discount store, while closing one supermarket in the nine-month period.

AEON Co. (M) Bhd. enhanced customer convenience by introducing new measures such as installing sections where customers can eat and drink in delicatessen areas and prepaid card systems in food courts. Aeon Big (M) Sdn. Bhd., which became an Aeon Group consolidated subsidiary in October 2012, launched its first hypermarket since its consolidation, Aeon Big Kluang Store, in July 2013. The company worked to improve profitability by collaborating with Aeon Co.(M) Bhd. on procurement to lower sales costs while refurbishing existing stores by improving sales areas to meet customer needs. In Vietnam, in preparation for the opening of the nation's first Aeon store in January 2014, Aeon Vietnam Co., Ltd. made progress establishing a new one-stop-shopping store, the AEON Tan Phu Celadon, responsive to changing lifestyles in the country.

China Business

(Aeon's consolidated financial statements for China Business for the first nine months reflect results for January through September.)

The China Business posted an operating loss of 2,537 million yen (a year-on-year decline of 1,653 million yen) on operating revenue of 105,693 million yen (up 28.6% year on year).

The China Business opened six GMS stores and one supermarket, while closing one supermarket in the nine-month period.

Although personal consumption in China slowed during the period due to government proclamations to reduce spending by government officials, the business strengthened product promotions oriented around local tastes and seasonal demand. The business also continued to utilize the Aeon Group infrastructure to conduct sales promotions, such as special promotions at all Aeon Group stores for member cardholders. As a result of these initiatives, the business posted solid growth at existing stores.

Other Operations

To meet a wide array of customer needs, Aeon Topvalu Co., Ltd. further promoted product development based on a three-tier brand structure featuring the mainstay TOPVALU lineup, TOPVALU BESTPRICE merchandise, offering lower prices without sacrificing quality, and TOPVALU SELECT merchandise, offering high-quality at affordable prices. The company also improved brand recognition and sales promotions, primarily through "TOPVALU Week." As a result, total sales of TOPVALU merchandise throughout the Group in the first nine months of the fiscal year ending February 28, 2014 increased 12.1% year on year to 546,300 million yen.

(2) Consolidated Financial Condition

Consolidated Assets, Liabilities, and Net Assets as of November 30, 2013

Consolidated assets at the end of the third quarter totaled 6,891,644 million yen, an increase of 1,166,808 million yen, or 20.4%, from the end of the previous fiscal year (February 28, 2013). The increase was chiefly attributable to the third quarter ending on a bank holiday and increases of 453,367 million yen in notes and accounts receivable-trade, which consists mostly of installment plan accounts receivable at financial subsidiaries, 276,663 million yen in loans and bills discounted for banking business, 197,790 million yen in cash and time deposits, and 174,392 million yen in property, buildings and equipment, which includes the assets of newly consolidated Daiei, Inc. and its subsidiaries.

Consolidated liabilities at the end of the third quarter totaled 5,256,220 million yen, an increase of 978,061 million yen, or 22.9%, from February 28, 2013. The increase was chiefly attributable to increases of 511,750 million yen in deposits for banking business and 248,752 million yen in notes and accounts payable-trade.

Consolidated net assets at the end of the third quarter totaled 1,635,423 million yen, an increase of 188,747 million yen, or 13.0%, from February 28, 2013.

(3) Consolidated Earnings Forecast

The earnings forecast for the year ending February 28, 2014 is unchanged from the forecast announced April 11, 2013.

*Earnings forecasts are expressed in ranges which take into consideration the potential impact of weather conditions, seasonal trends, and other variables to the extent that Aeon can currently determine. Since Aeon Co., Ltd. is a pure holding company, non-consolidated forecasts are not disclosed.

2. Other Information

(1) Changes affecting the status of significant subsidiaries during the period

On August 27, 2013, the Company additionally acquired the stock of equity-method affiliate Daiei Inc. through tender offer to make it a consolidated subsidiary of the Company.

(2) Use of accounting methods specific to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policy, changes in accounting estimates, and retrospective restatement

(Change in inventory valuation method)

Effective from the three months ended May 31, 2013, the method for inventory valuation used in some consolidated subsidiaries operating specialty store business changed from the retail method to the moving-average method.

These consolidated subsidiaries have introduced a new inventory control system, which improves accuracy in controlling inflow and outflow of merchandise by each item. With the new system, the specialty store business changed their inventory valuation method so as to check inventory value more appropriately and swiftly and to calculate periodical profit and loss more precisely.
The change in accounting policy was retroactively applied, and the consolidated financial statements for the nine months ended November 30, 2012 and for the year ended February 28, 2013 have been adjusted to reflect the change.

As a result, for the nine months ended November 30, 2012, operating income, ordinary income, and income before income taxes and minority interests were each 246 million yen lower than what they were before the retroactive application. Retained earnings at the beginning of the fiscal year ended February 28, 2013 was 673 million yen lower because cumulative effects were reflected in the amount of net assets at the beginning of the fiscal year ended February 28, 2013. Net assets per share for the fiscal year ended February 28, 2013 was 1.08 yen lower and basic and diluted net income per share for the nine months ended November 30, 2012 were 0.16 yen and 0.14 yen lower, respectively. Effects on segments are presented in the Segment Information section.

(Individual presentation of gross amount of operating revenue by the Financial Services Business)
Since the Aeon Group's main line of business is retail business, operating revenue by the Financial Services Business had not been individually presented. “Gain on bad debts recovered” of the Financial Services Business was included in “other income,” and net operating revenue of the Financial Services Business exclusive of “gain on bad debts recovered” was included in “other revenues” after offsetting operating costs (financial expenses).

Effective the three months ended February 28, 2013, however, operating revenue and operating costs of the Financial Services Business are individually presented at their gross amount as “operating revenue in the financial services business” and “operating costs in the financial services business,” respectively, while “gain on bad debts recovered” is included in “operating revenue in the financial services business.”

Furthermore, “net sales” and “cost of sales” that had been previously presented as category titles in the consolidated statements of income are presented as components of “operating revenue” and “operating costs.”

The aim of these changes is to present business results more precisely to reflect the fact that the Financial Services Business has increased its importance in the Aeon Group, as Aeon Bank, Ltd. became a consolidated subsidiary in January 2013 in conjunction with the reorganization of the Financial Services Business.

The consolidated statements of income for the nine months ended November 30, 2012 have been retroactively adjusted to reflect the change in accounting policy and recast to conform to the current presentation.

(4) Additional Information

(Accounting treatment for Employee Stock Ownership Plan Trust)
At the meeting held on January 22, 2013, the Aeon Management Committee decided to introduce Employee Stock Ownership Plan Trust (“ESOP Trust”) from June 4, 2013. ESOP Trust is an incentive scheme that provides the Company’s workforce with ownership interest in the Company to further enhance the corporate value over the mid-to-long term.

ESOP Trust covers all Aeon employees who are members of the employees’ stockholding association (“Association”). Under ESOP Trust, the Company has set up a trust account in a trust bank with beneficiaries being the employees who belong to the Association and satisfy certain requirements. ESOP Trust has bought the Company’s stock in advance in the volume expected to be acquired by the Association in the five years following the establishment of the ESOP Trust. It will

then sell the Company’s stock at market price to the Association on a pre-determined day each month. If the Company’s stock price rises and ESOP Trust holds a gain at the expiration of the trust, the gain will be distributed to the beneficiaries depending on their contribution ratio. ESOP Trust borrows the money needed to purchase Company stock and has its loans guaranteed by the Company. If ESOP Trust cannot pay off the debts at the expiration of the trust due to lower price of the Company’s stock or other factors, the Company will perform the obligation on behalf of ESOP Trust.

In the non-consolidated financial statements, ESOP Trust is accounted for using the gross method with which the Company’s stock held by ESOP Trust is included in treasury stock under nets assets. As of November 30, 2013, the book value of treasury stock recorded with the gross method was 10,843 million yen (8,545,000 shares) and the book value of debts recorded under the gross method was 11,400 million yen.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of February 28, 2013	As of November 30, 2013
	Amount	Amount
Assets		
Current assets		
Cash and time deposits	457,174	654,965
Call loans	10,000	-
Notes and accounts receivable - trade	518,695	972,062
Marketable securities	241,523	178,820
Merchandise inventories	377,027	476,865
Deferred tax assets	46,566	56,267
Financial loan	420,160	315,761
Loans and bills discounted for banking business	668,971	945,634
Other	203,437	218,762
Allowance for doubtful accounts	(39,998)	(48,669)
Total current assets	2,903,558	3,770,471
Fixed assets		
Property, buildings and equipment		
Buildings and structures, net	1,117,272	1,146,144
Tools, furniture and fixtures, net	141,141	166,788
Land	628,613	714,952
Construction in progress	29,569	54,896
Other, net	25,105	33,312
Total property, buildings and equipment	1,941,702	2,116,095
Intangible fixed assets		
Goodwill	140,852	145,045
Software	40,160	52,248
Other	24,102	26,261
Total intangible fixed assets	205,115	223,555
Investments and other assets		
Investment securities	191,497	201,206
Deferred tax assets	62,875	66,050
Fixed leasehold deposits to lessors	321,606	405,057
Other	114,069	138,238
Allowance for doubtful accounts	(15,588)	(29,030)
Total investments and other assets	674,458	781,522
Total fixed assets	2,821,277	3,121,173
Total assets	5,724,835	6,891,644

(Millions of yen)

	As of February 28, 2013	As of November 30, 2013
	Amount	Amount
Liabilities		
Current liabilities		
Notes and accounts payable - trade	633,246	881,999
Deposits for banking business	1,155,319	1,667,070
Short-term borrowings	262,858	185,738
Current portion of long-term debt	234,229	221,515
Bonds due within one year	36,942	78,357
Convertible bonds with stock acquisition rights due within one year	49,958	-
Commercial paper	48,942	5,411
Income taxes payable	40,616	36,597
Provision for bonuses	19,199	39,973
Provision for store closing expenses	1,353	2,944
Allowance for point program	15,334	21,798
Other allowances	901	938
Notes payable, construction	45,193	39,192
Other	398,383	623,759
Total current liabilities	2,942,480	3,805,297
Long-term liabilities		
Bonds	244,895	185,822
Convertible bonds with stock acquisition rights	30,000	5,410
Long-term debt	702,572	805,403
Deferred tax liabilities	17,837	28,432
Liability for employees' retirement benefits	9,506	47,160
Provision for store closing expenses	2,010	10,043
Allowance for loss on refund of interest received	4,133	3,030
Other allowances	5,003	6,015
Asset retirement obligations	45,654	59,851
Lease deposits from lessees	229,276	251,016
Other	44,787	48,737
Total long-term liabilities	1,335,678	1,450,923
Total liabilities	4,278,159	5,256,220
Net assets		
Shareholders' equity		
Common stock	199,054	220,007
Capital surplus	264,963	285,917
Retained earnings	571,960	564,279
Treasury stock	(16,091)	(11,542)
Total shareholders' equity	1,019,887	1,058,661
Accumulated other comprehensive income		
Unrealized gain on available-for-sale securities	17,909	25,047
Deferred gain (loss) on derivatives under hedge accounting	(1,383)	(1,293)
Foreign currency translation adjustments	(3,827)	5,002
Total accumulated other comprehensive income	12,699	28,755
Stock acquisition rights	1,514	1,757
Minority interests	412,575	546,248
Total net assets	1,446,676	1,635,423
Total net assets and liabilities	5,724,835	6,891,644

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

	Nine months ended November 30, 2012	Nine months ended November 30, 2013
	Amount	Amount
Operating revenue		
Net sales	3,683,913	4,058,476
Operating revenue in the financial service business	115,586	184,243
Other operating revenue	333,564	378,393
Total operating revenue	4,133,064	4,621,112
Operating costs		
Cost of sales	2,700,717	2,972,389
Operating costs in the financial service business	9,609	18,695
Total operating costs	2,710,326	2,991,084
Gross profit on sales	983,196	1,086,086
Gross profit from operations	1,422,737	1,630,028
Selling, general and administrative expenses	1,323,820	1,535,184
Operating income	98,917	94,843
Other income		
Interest income	1,906	2,480
Dividend income	1,268	1,594
Equity in gains of equity-method affiliates	6,245	3,781
Other	21,559	10,539
Total other income	30,980	18,396
Other expenses		
Interest expense	8,184	10,030
Other	4,826	4,695
Total other expenses	13,011	14,726
Ordinary income	116,886	98,513
Extraordinary gains		
Gain on negative goodwill	143	14,028
Gain on change in equity interest	1,604	8,193
Gain on sale of fixes assets	835	7,090
Gain on sale of subsidiaries' stock	7,334	4
Other	1,550	937
Total extraordinary gains	11,469	30,254
Extraordinary losses		
Impairment loss	11,321	16,772
Loss on phased acquisition	-	9,760
Loss on sale of fixed assets	222	7,874
Management integration expenses in the Financial Services Business	-	1,820
Other	5,585	5,686
Total extraordinary losses	17,129	41,913
Income before income taxes and minority interests	111,226	86,853
Income taxes		
Current	53,055	53,168
Deferred	(1,589)	(11,166)
Total income taxes	51,465	42,001
Income before minority interests	59,760	44,851
Minority interests	22,296	24,924
Net income	37,463	19,927

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Nine months ended November 30, 2012	Nine months ended November 30, 2013
	Amount	Amount
Income before minority interests	59,760	44,851
Other comprehensive income		
Unrealized gain on available-for-sale securities	5,258	7,863
Deferred gain (loss) on derivatives under hedge accounting	(227)	292
Foreign currency translation adjustments	2,034	15,952
Share of other comprehensive income of equity-method affiliates	(49)	187
Total other comprehensive income	7,015	24,296
Comprehensive income	66,775	69,148
(Breakdown)		
Comprehensive income attributable to owners of the parent	43,485	35,984
Comprehensive income attributable to minority interests	23,290	33,163

(3) Notes on the Going-concern Assumption

Not applicable

(4) Segment Information

Operating revenue and income/loss by reportable segment

Nine Months Ended November 30, 2012 (March 1 – November 30, 2012)

(Millions of yen)

	GMS	Supermarket	Strategic Small-size Store	Financial Services	Shopping Center Development	Service	Specialty Store
Operating revenue							
(1) Revenue attributable to customers	1,917,567	1,071,864	174,492	115,383	109,862	148,004	236,551
(2) Intersegment revenue or transfers	38,573	1,662	1,763	18,058	36,725	114,748	4,488
Total	1,956,141	1,073,526	176,255	133,441	146,588	262,753	241,040
Segment income (loss)	6,378	11,381	3,680	20,820	28,494	14,460	3,274

	Reportable segment			Other*1	Total	Adjustments *2,3	Reported in the quarterly consolidated statements of income*4
	ASEAN	China	Total				
Operating revenue							
(1) Revenue attributable to customers	68,673	82,117	3,924,516	194,132	4,118,649	14,415	4,133,064
(2) Intersegment revenue or transfers	149	87	216,256	4,209	220,465	(220,465)	-
Total	68,822	82,204	4,140,773	198,341	4,339,115	(206,050)	4,133,064
Segment income (loss)	4,369	(884)	91,976	(413)	91,562	7,354	98,917

Note: 1. “Other” segment includes business segments not categorized as reportable segments, such as discount store, drugstore and pharmacy, E-commerce, etc.

2. Main components of the 14,415 million yen in adjustments for revenue attributable to customers are (a) minus 73,296 million yen in adjustments to transactions reported in the reportable segment information and (b) 87,263 million yen in operating revenues of Group companies attributable to Aeon Group merchandise supply that does not fall into any of the business segments.

3. Main components of the 7,354 million yen in adjustments for segment income are (a) 1,568 million yen in income of the pure holding company (Aeon Co., Ltd.) not attributable to any of the business segments, (b) 7,028 million yen in income of Group companies attributable to Aeon Group merchandise supply that does not fall into any of the business segments, and (c) minus 2,690 million yen in intersegment transaction eliminations.

4. Segment income adjustments are based on operating income reported in the quarterly consolidated statements of income for the corresponding period.

5. As stated in “Changes in accounting policy, changes in accounting estimates, and retrospective restatement” above, effective the three months ended February 28, 2013, the accounting policy and presentation method for operating revenue by the Financial Service Business has been changed. Segment information for the nine months ended November 30, 2012 has been retroactively adjusted to reflect the change in accounting policy and recast to conform to the current presentation.

6. As stated in “Changes in accounting policy, changes in accounting estimates, and retrospective

restatement" above, the method for inventory valuation has been changed in some consolidated subsidiaries operating specialty store business. Segment information for the nine months ended November 30, 2012 has been retroactively adjusted to reflect the change in accounting policy. As a result, segment income for the Specialty Store business was 246 million yen lower compared with what it was before the retroactive application.

Operating revenue and income/loss by reportable segment

Nine Months Ended November 30, 2013 (March 1 – November 30, 2013)

(Millions of yen)

	GMS	Supermarket	Strategic Small-size Store	Financial Services	Shopping Center Development	Service	Specialty Store
Operating revenue							
(1) Revenue attributable to customers	2,097,990	1,153,587	204,297	184,681	119,514	177,821	248,376
(2) Intersegment revenue or transfers	48,609	1,957	3,880	21,502	40,227	115,776	4,294
Total	2,146,600	1,155,545	208,178	206,183	159,741	293,598	252,671
Segment income (loss)	6,521	3,714	3,466	25,097	29,697	14,922	3,643

	Reportable segment			Other*1	Total	Adjustments *2,3	Reported in the quarterly consolidated statements of income*4
	ASEAN	China	Total				
Operating revenue							
(1) Revenue attributable to customers	130,714	105,527	4,422,512	217,576	4,640,089	(18,976)	4,621,112
(2) Intersegment revenue or transfers	231	166	236,647	5,613	242,260	(242,260)	-
Total	130,945	105,693	4,659,159	223,189	4,882,349	(261,236)	4,621,112
Segment income (loss)	4,672	(2,537)	89,199	1,327	90,527	4,316	94,843

Note: 1. "Other" segment includes business segments not categorized as reportable segments, such as discount store, drugstore and pharmacy, E-commerce, etc.

2. Main components of the minus 18,976 million yen in adjustments for revenue attributable to customers are (a) minus 84,512 million yen in adjustments to transactions reported in the reportable segment information and (b) 65,370 million yen in operating revenues of Group companies attributable to Aeon Group merchandise supply that does not fall into any of the business segments.

3. Main components of the 4,316 million yen in adjustments for segment income are (a) 5,384 million yen in income of the pure holding company (Aeon Co., Ltd.) not attributable to any of the business segments, (b) 1,053 million yen in income of Group companies attributable to Aeon Group merchandise supply that does not fall into any of the business segments, and (c) minus 3,495 million yen in intersegment transaction eliminations.

4. Segment income adjustments are based on operating income reported in the quarterly consolidated statements of income for the corresponding period.

(5) Notes on Significant Changes in the Amount of Shareholders' Equity

In conjunction with the conversion of unsecured convertible bonds with stock acquisition rights during the nine months ended November 30, 2013, common stock and capital surplus increased each by 20,953 million yen, while retained earnings and treasury stock decreased by 7,313 million yen and 15,337 million yen, respectively. With the introduction of ESOP Trust, which acquired some of the Company's stock, the amount of stock held in treasury increased by 11,999 million yen.

As a result of the above, common stock at the end of the third quarter for the fiscal year ending

February 28, 2014 totaled 220,007 million yen; capital surplus, 285,917 million yen; and treasury stock, 11,542 million yen.

[Reference]
1. Condensed Consolidated Balance Sheets
(1) Condensed Consolidated Balance Sheets

(Millions of yen)

	As of February 28, 2013	As of November 30, 2013
	Amount	Amount
Cash and time deposits	457,174	654,965
Call loans	10,000	-
Notes and accounts receivable - trade	518,695	972,062
Marketable securities	241,523	178,820
Merchandise inventories	377,027	476,865
Financial loan	420,160	315,761
Loans and bills discounted for banking business	668,971	945,634
Other	210,005	226,359
Total current assets	2,903,558	3,770,471
Property, buildings and equipment	1,941,702	2,116,095
Intangible fixed assets	205,115	223,555
Investments and other assets	674,458	781,522
Total fixed assets	2,821,277	3,121,173
Total assets	5,724,835	6,891,644
Notes and accounts payable - trade	633,246	881,999
Deposits for banking business	1,155,319	1,667,070
Interest-bearing debt	637,206	501,276
Other	516,708	754,951
Total current liabilities	2,942,480	3,805,297
Interest-bearing debt	1,001,842	1,028,080
Lease deposits from lessees	229,276	251,016
Other	104,559	171,825
Total long-term liabilities	1,335,678	1,450,923
Total liabilities	4,278,159	5,256,220
Total net assets	1,446,676	1,635,423
Total net assets and liabilities	5,724,835	6,891,644

(2) Condensed Consolidated Balance Sheets of Segments Excluding Financial Services Business

(Millions of yen)

	As of February 28, 2013	As of November 30, 2013
	Amount	Amount
Cash and time deposits	211,098	362,662
Notes and accounts receivable - trade	52,232	65,271
Marketable securities	85	210
Merchandise inventories	375,654	475,116
Other	261,988	358,223
Total current assets	901,058	1,261,484
Property, buildings and equipment	1,923,024	2,089,989
Intangible fixed assets	151,679	165,846
Investments and other assets	731,996	847,503
Total fixed assets	2,806,699	3,103,338
Total assets	3,707,757	4,364,823
Notes and accounts payable - trade	570,064	768,841
Interest-bearing debt	277,128	290,605
Other	528,727	648,939
Total current liabilities	1,375,920	1,708,386
Interest-bearing debt	643,843	686,680
Lease deposits from lessees	229,544	251,394
Other	96,693	165,763
Total long-term liabilities	970,082	1,103,839
Total liabilities	2,346,003	2,812,225
Total net assets	1,361,754	1,552,597
Total net assets and liabilities	3,707,757	4,364,823

(3) Condensed Consolidated Balance Sheets of Financial Services Business Segment

(Millions of yen)

	As of February 28, 2013	As of November 30, 2013
	Amount	Amount
Cash and time deposits	247,397	296,735
Call loans	10,000	-
Notes and accounts receivable - trade	472,076	914,826
Marketable securities	241,438	178,610
Financial loan	420,160	315,761
Loans and bills discounted for banking business	668,971	981,634
Other	156,281	26,866
Total current assets	2,216,324	2,714,434
Property, buildings and equipment	19,109	26,536
Intangible fixed assets	55,598	57,708
Investments and other assets	27,883	34,688
Total fixed assets	102,591	118,933
Total assets	2,318,915	2,833,367
Notes and accounts payable - trade	101,273	170,576
Deposits for banking business	1,156,640	1,671,502
Interest-bearing debt	360,077	246,671
Other	138,768	157,693
Total current liabilities	1,756,759	2,246,443
Interest-bearing debt	357,998	341,399
Other	13,561	13,825
Total long-term liabilities	371,559	355,225
Total liabilities	2,128,319	2,601,669
Total net assets	190,596	231,698
Total net assets and liabilities	2,318,915	2,833,367

2. Condensed Consolidated Statements of Income

(1) Condensed Consolidated Statements of Income

(Millions of yen)

	Nine months ended November 30, 2012	Nine months ended November 30, 2013
	Amount	Amount
Operating revenue	4,133,064	4,621,112
Operating costs	2,710,326	2,991,084
Gross profit from operations	1,422,737	1,630,028
Selling, general and administrative expenses	1,323,820	1,535,184
Operating income	98,917	94,843
Ordinary income	116,886	98,513
Income before income taxes and minority interests	111,226	86,853
Net income	37,463	19,927

(2) Condensed Consolidated Statements of Income of Segments Excluding Financial Services Business Segment

(Millions of yen)

	Nine months ended November 30, 2012	Nine months ended November 30, 2013
	Amount	Amount
Operating revenue	4,019,783	4,443,689
Operating costs	2,693,534	2,962,675
Gross profit from operations	1,326,249	1,481,014
Selling, general and administrative expenses	1,248,053	1,411,061
Operating income	78,196	69,952
Ordinary income	98,174	76,802
Income before income taxes and minority interests	92,325	67,323
Net income	30,273	18,099

(3) Condensed Consolidated Statements of Income of Financial Services Business Segment

(Millions of yen)

	Nine months ended November 30, 2012	Nine months ended November 30, 2013
	Amount	Amount
Operating revenue	133,441	206,183
Operating costs	9,950	18,725
Gross profit from operations	123,491	187,458
Selling, general and administrative expenses	102,670	162,361
Operating income	20,820	25,097
Ordinary income	20,894	25,103
Income before income taxes and minority interests	21,088	23,125
Net income	9,263	5,333