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

January 8, 2014

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
Representative	Soichi Okazaki, President and CEO		
Contact	Yoshiharu Umeda, Managing Director and General Manager of the Administration Division		
Telephone	+81-43-212-6733		

Scheduled dates:

Submission of statutory quarterly financial report	January 14, 2014
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 Three Quarters of the Year Ending February 28, 2014 (March 1, 2013 to November 30, 2013)

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

	Operating revenue		Operating income		Ordinary income		Net income	
Nine months ended	million yen	%	million yen	%	million yen	%	million yen	%
November 30, 2013	128,103	11.0	30,179	9.0	29,614	14.0	17,624	26.3
November 20, 2012	115,432	5.3	27,676	(0.7)	25,989	(2.0)	13,952	(0.7)

(Note) Comprehensive income Nine months ended November 30, 2013: 22,268 million yen (60.0%)
Nine months ended November 20, 2012: 13,913 million yen (-1.2%)

	Net income per share	Net income per share (diluted)
Nine months ended	yen	yen
November 30, 2013	81.52	81.48
November 20, 2012	70.02	69.99

(Note) The Company issued 23,500,000 shares of common stock through a public offering with a payment date of June 19, 2013 and issued 2,500,000 shares of common stock through a private placement with a payment date of July 12, 2013. The Company also split one share of common stock into 1.1 shares effective August 1, 2013. "Net income per share" and "Net income per share (diluted)" are calculated on the assumption that the common stock has increased by 26,000,000 shares through the above public offering and private placement and that the stock split was conducted at the beginning of the previous fiscal year.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	million yen	million yen	%
November 30, 2013	731,806	287,337	38.8
February 28, 2013	630,887	217,776	34.1

(Note) Equity November 30, 2013: 284,009 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	–	11.00	–		
Year ending February 28, 2014 (Projection)				11.00	22.00

(Note) 1. Revisions to dividend projection published most recently: None
2. Although the Company split one share of common stock into 1.1 shares effective August 1, 2013, the amount of dividend per share remained unchanged, as stated in the "Notice Concerning Issuance of New Shares, Secondary Offering of Shares and Stock Split" released on June 3, 2013. As a result, dividends will effectively increase.

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
Full year	180,000	11.5	43,000	3.0	41,000	3.1	22,500	2.9	102.71

(Note) 1. Revisions to earnings 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: 3 companies

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

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)
November 30, 2013: 227,873,917 shares February 28, 2013: 199,272,597 shares

[2] Treasury stock at period-end
November 30, 2013: 33,904 shares February 28, 2013: 11,781 shares

[3] Average number of shares issued
November 30, 2013: 216,183,623 shares November 20, 2012: 199,252,651 shares

(Note) The Company split one share of common stock into 1.1 shares effective August 1, 2013. Number of shares above is calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

* 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 6 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 issued 2,500,000 shares of common stock through third-party allotment with a payment date of July 12, 2013. In addition, the Company split one share of common stock into 1.1 shares effective August 1, 2013. Net income per share stated in the consolidated earnings projections for the fiscal year ending February 28, 2014 is calculated on the assumption that the common stock has increased by 26,000,000 shares through the public offering and private placement above and that the stock split was conducted at the beginning of the previous fiscal year.

(Procedure for obtaining supplementary information on financial results)

Aeon Mall is scheduled to hold a financial briefing for institutional investors and analysts on January 10, 2014. The materials handed out at this briefing will be posted on the Company's web page on January 8, 2014, and the audio recording will be made available on the Company's web page as soon as possible after the briefing.

Accompanying Materials ― Contents

1. Qualitative Information on Quarterly Consolidated Operating Results 2
(1) Qualitative information on consolidated operating results 2
(2) Qualitative information on consolidated financial position 5
(3) Qualitative information on consolidated earnings forecast 6
2. Matters Regarding Summary Information (Notes) 6
(1) Material changes in consolidated subsidiaries during the period 6
(2) Application of special accounting treatment for the preparation of quarterly consolidated financial statements 6
(3) Changes to accounting policies, changes of accounting estimates, and revisions and restatements 6
3. Quarterly Consolidated Financial Statements 7
(1) Quarterly consolidated balance sheets 7
(2) Quarterly consolidated statements of income and quarterly consolidated statements of comprehensive income 9
Quarterly consolidated statements of income
For the nine months ended November 20, 2012 and November 30, 2013 9
Quarterly consolidated statements of comprehensive income
For the nine months ended November 20, 2012 and November 30, 2013 10
(3) Quarterly consolidated statements of cash flows 11
(4) Notes on the going concern assumption 12
(5) Notes on significant change in shareholders' equity, if any 12
(6) Segment information 12

1. Qualitative Information on Quarterly Consolidated Operating Results

(1) Qualitative information on consolidated operating results

Aeon Mall, the core operator in the Aeon Group's development business, is working to establish a management base that is able to ensure continuous growth and profitability, with the aim of becoming the top shopping mall developer in Asia.

The Aeon Group is focusing on the autonomous growth of each business and the creation of group synergy by integrating and reorganizing business areas and functions within the Group, establishing a single brand for each business type, and promoting specialization. The Group is also taking measures to shift to a new stage of growth by fiscal 2020. Under its three-year, medium-term business plan (FY2011 – 2013), Aeon Mall is promoting the merger of overlapping functions in its development business, expanding its domestic business base by increasing its business locations and earnings power, and creating a base for business development in new growth markets in China and the ASEAN region.

As part of the functional integration in the development business, the names of the mall-type commercial facilities of the Aeon Group were unified as Aeon Malls in November 2011 and, in 2012, overlapping marketing and development functions were merged and tenant associations comprising approximately 8,000 companies were amalgamated into one (Aeon Doyutenkai (the association of tenants at Aeon facilities)). In April 2013, the Company integrated its leasing functions to increase competitiveness and efficiency and has been working to accelerate mall opening in Japan, develop new sites, create malls offering opportunities to experience enjoyment, develop new mall functions to meet the needs of customers of all ages, including the elderly whose numbers continue to increase, and open malls in China and ASEAN counties.

As of November 1, 2013, the Company signed a contract to undertake the management and operation of commercial facilities of Aeon Retail Co., Ltd. in 69 locations. Mall management and operations were integrated into Aeon Mall as a result, and the merger of development functions was completed.

To secure the funds necessary for accelerated growth, the Company conducted a public offering with a payment date of June 19, 2013 and a private placement with a payment date of July 12, 2013, and on November 22, 2013, it also transferred the land and buildings of six malls owned by the Company to Aeon REIT Investment Corporation (the Company continues to use the property following the transfer under a lease agreement). By securing funds for growth, the Company is flexibly implementing its growth measures, increasing asset efficiency, and strengthening its financial base that supports medium- to long-term growth strategies.

i) Overview of the three quarters under review

During the first three quarters under review, the Japanese economy followed a moderate upward trend backed by a degree of recovery in exports and capital expenditure, primarily as a result of a weaker yen and higher stock prices facilitated by the government's economic policies and the Bank of Japan's monetary easing. In the retail industry, however, the persistent trend of economizing due to a delayed improvement in income conditions suppressed consumer spending, despite some signs of improved consumer confidence, making customers increasingly selective with regard to products and commercial facilities.

Meanwhile, in the shopping center industry, the number of new malls opened in 2013 doubled from 2012 on the expectation of a full recovery in consumer spending, resulting in an increase from the previous fiscal year for the first time in six years. The same mall opening trend is expected in 2014, and competition among shopping centers is likely to intensify.

In this environment, the Company opened four malls as new business sites in Japan, including one as property entrusted under a property management (PM) agreement, and renovated 11 existing malls.

In its overseas businesses, the Company continues to acquire new development properties in China, Cambodia, Indonesia, and Vietnam.

As a result, the Company achieved its highest ever consolidated operating revenue, operating income, ordinary income, and net income in the first three quarters under review.

Domestic Businesses

The Company opened new malls including Aeon Mall Kasukabe (Saitama Prefecture) and Aeon Mall Tsukuba (Ibaraki Prefecture) in March, Kobe Harborland Umie (Hyogo Prefecture) in April as a property under a management contract, and Aeon Mall Toin (Mie Prefecture).

In addition to a wide array of specialty stores selling products, Aeon Mall Kasukabe has service functions such as clinics, and Kurashi-no Money Plaza offering banking, credit, insurance, and housing services, as well as an area for hobbies and interests. The mall utilizes construction methods that provide increased earthquake resistance and has improved its function as a disaster recovery center by putting emergency power generators in place.

Aeon Mall Tsukuba is a mall based on a new concept. The most distinctive features of the mall are its West

Village and East Village, the outer wings comprising a large leisure zone that offers the opportunity to experience enjoyment. West Village is home to a bakery restaurant with an attached dog run and dog café, an integrated sports center equipped with futsal courts designed by the local soccer club, a camping gear store, and an outdoor clothing and equipment store. East Village is home to a farmers' market and restaurant, garden and exterior exhibition space, bicycle store, Harley-Davidson distributor, and other specialty stores on the theme of lifestyle.

Kobe Harborland Umie is a mall for which the Company signed a contract with the owner to undertake its renewal, management, and operation following the withdrawal in March 2012 of a department store then constituting the anchor tenant. Kobe Harborland Umie is located in Kobe Haborland, one of Kobe's top tourist destinations, which is an urban mall with 225 specialty stores, including 13 stores that opened for the first time in Kansai and 40 stores that opened for the first time in Kobe, in addition to overseas brands offering the latest fashions.

Aeon Mall Toin houses 155 specialty stores, including overseas fashion brands, and one of the largest children's zones in the region. More than 40% of the specialty stores are the first of their brand in the region, including 23 that opened for the first time in Tokai and 44 in Mie Prefecture. In addition to a variety of dining options, the Mall has an enhanced entertainment area, offering one of the largest cinemas in Mie Prefecture, a large pet store with an attached dog run, and an all-weather event area.

New Malls in the First Three Quarters of FY2013

Name of Mall	Location	Opening Date
ÆON Mall Kasukabe	Saitama Prefecture	March 2013
ÆON Mall Tsukuba	Ibaraki Prefecture	March 2013
Kobe Harborland umie*	Hyogo Prefecture	April 2013
ÆON Mall Toin	Mie Prefecture	November 2013

* Property under management contract

The Group renewed some of its existing malls, transforming them entirely by introducing new tenants and changing the retail format of existing tenants or relocating them.

Malls renewed in the first three quarters under review

Name of Mall	Location	Date reopened	Tenants	New tenants (1) (See Note)	Relocations & refurbishments (2)	No. of tenants 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	Miyagi 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
ÆON Mall Shimoda	Aomori Prefecture	June 7	120	16 (1)	5	21
ÆON Mall Hamamatsu Shitoro	Shizuoka Prefecture	September 13	150	5 (2)	9	14
ÆON Mall Fukuoka	Fukuoka Prefecture	September 13	200	17 (7)	8	25
ÆON Mall Hanyu	Saitama Prefecture	November 29	210	54 (20)	91	145

(Note) Figures in brackets represent new tenants 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 exceeded the previous year's level, and the Group is focusing on further expansion in results.

Aeon Mall Tianjin Meijiang, the third Aeon Mall in Tianjin, opened on January 3, 2014. This mall is located in the Tianjin Xiqing Economic Development Area (XEDA), a national special economic zone founded by the Tianjin municipal government in 1992. XEDA is populated by more than 850 companies from around the world (with a total workforce of approximately 100,000) and is one of the fastest growing districts in China.

The district is also home to the largest first-class residential area in Tianjin, which is adjacent to the Outer Ring Expressway, providing both a good living environment and accessibility.

In FY2014, the Company plans to open Aeon Mall Suzhou Wuzhong (Suzhou City, Jiangsu Province), Aeon Mall Suzhou Industrial Park (Suzhou City, Jiangsu Province), Aeon Mall Wuhan Olympic Garden (Wuhan City, Hubei Province), and Aeon Mall Guangzhou Qing He (Guangzhou City, Guangdong Province).

In China, the Company is working to develop mall sites in Beijing, Tianjin, and the Provinces of Hebei, Henan, Zhejiang, Jiangsu, Hubei, Shandong, Fujian, and Guangdong.

In the ASEAN region, the Company is preparing to open its first Aeon Malls in Vietnam, Cambodia, and Indonesia.

Aeon Mall Tan Phu Celadon, the first Aeon Group mall in Vietnam, is scheduled to open on January 11, 2014. This mall is located in Celadon City, Tan Phu District, approximately 9 km west of the center of Ho Chi Minh City.

Celadon City is implementing "comprehensive town development" under the joint development plan covering housing, international schools, medical facilities, sports facilities, etc. as the "new township project" for a total area of 82 ha. Aeon Vietnam and Aeon Mall Vietnam have been working together on the opening of the mall. The management and operation of the mall will be carried out by Aeon Mall Vietnam. Additionally, the Company is planning the opening of Aeon Mall Binh Duong Canary in Binh Duong Province in FY2014 and Aeon Mall Long Bien in Hanoi in FY2015.

In Cambodia, Aeon Mall Phnom Penh is scheduled to open in 2014. The planned site is adjacent to Diamond Island, which was developed as a new leisure area located 3 km from the center of the capital Phnom Penh, and construction began in December 2012. The area is surrounded by luxury housing and hotels, and is occupied predominantly by middle- to high-income households in which future growth can be expected. Tenant acquisition has been progressing smoothly.

In Indonesia, the construction of Aeon Mall BSD City (BSD City, Tangerang, Banten; scheduled to open in 2014) located in the suburbs southwest of Jakarta began in August 2013. The full-scale development of the site for the mall began in 2003. With the planned extension of highways and the construction of housing, industrial facilities, schools, hospitals, golf courses, sports facilities, etc., the area offers significant potential for future development. The Company is also planning several other projects, mainly in the suburbs of Jakarta, including Aeon Mall JGC (Jakarta Garden City) (tentative name; Cakung, Jakarta Timur, scheduled to open in 2015) and Aeon Mall Deltamas (tentative name; Bekasi, Jawa Barat, scheduled to open after 2015).

The Group has also made a start on initiatives for business expansion in Myanmar and is developing properties.

Financial Status

Operating revenue for the three quarters totaled 128,103 million yen (111.0% year on year), operating costs increased to 84,990 million yen (109.5% year on year) due to business expansion, and gross profit achieved double-digit growth, to 43,113 million yen (114.0% year on year).

Selling, general, and administrative expenses increased to 12,933 million yen (127.7% year on year) due to factors such as organizational reform to increase malls in Japan, an increase in overseas Aeon Malls to accelerate business development in China and ASEAN countries, and a rise in prior costs as a result of progress in the acquisition of development projects in Japan and overseas. Operating income nevertheless increased to 30,179 million yen (109.0% year on year).

Ordinary income was 29,614 million yen (114.0 % year on year) as a result of non-operating profit of 1,498 million yen (271.4% year on year) and non-operating expenses of 2,063 million yen (92.1% year on year).

In extraordinary items, a gain on sales of fixed assets through transfer to Aeon REIT Investment Corporation (a net gain of 1,271 million yen) and other factors resulted in an increase of 1,626 million yen from the first three quarters of the previous fiscal year.

As a result, the Company posted net income of 17,624 million yen (126.3% year on year), an increase of 3,671 million yen from a year ago.

The commercial facilities managed and operated by the Company during the three quarters under review totaled 135, including 132 in Japan and three in China.

(2) Qualitative information on consolidated financial position

i) Assets, Liabilities and Net Assets

Assets

Total assets stood at 731,806 million yen, up 100,919 million yen from February 28, 2013. This reflected the acquisition of property, plant, and equipment of 105,246 million yen primarily for the opening of new shopping malls, the acquisition of land for future development, and the purchase of Aeon Mall Kyoto, which had previously been managed under a PM contract, an increase of 22,649 million yen in cash and cash equivalents, a rise of 41,000 million yen in deposits to associated companies (included in "Other current assets"), and a decrease of 17,740 million yen in fixed assets due to depreciation and 63,356 million yen due to sales of fixed assets to Aeon REIT Investment Corporation.

Liabilities

Total liabilities stood at 444,469 million yen, up 31,359 million yen from February 28, 2013. This increase primarily reflected a 23,655 million yen increase in accounts payable -facilities (included in "Other current liabilities") mainly associated with the opening of new shopping malls, a 17,927 million yen rise in deposits from tenants (included in "Other current liabilities"), a 9,412 million yen decrease in long-term debt (including the current portion of long-term debt), and a 10,000 million yen reduction in straight bonds (including bonds due within one year).

Net assets

Consolidated net assets on November 30, 2013 stood at 287,337 million yen, up 69,560 million yen from February 28, 2013. This primarily reflected a 25,502 million yen increase in common stock and a 25,502 million yen rise in the capital surplus associated with the issuance of shares and an increase in retained earnings due to net income of 17,624 million yen.

ii) Cash Flows

Cash and cash equivalents ("cash") as of November 30, 2013 amounted to 98,539 million yen, up 59,246 million yen from February 28, 2013.

Cash flows in the first three quarters were as follows:

Cash flows from operating activities

Net cash provided by operating activities was 57,507 million yen (compared with 28,326 million yen in the first three quarters of the previous fiscal year). The major contributors to this outcome were income before income taxes and minority interests of 29,805 million yen (24,553 million yen in the first three quarters of the previous fiscal year), depreciation and amortization of 17,740 million yen (15,770 million yen in the first three quarters of the previous fiscal year), an increase in deposits from tenants (included in "Increase (decrease) in other current liabilities") of 17,891 million yen (7,765 million yen in the first three quarters of the previous fiscal year) associated with the postponement of the reimbursement of deposits from tenants to the fourth quarter due to the end of the third quarter falling on a bank holiday, and income taxes paid of 10,292 million yen (15,104 million yen in the first three quarters of the previous fiscal year).

Cash flows from investment activities

Net cash used in investing activities amounted to 27,154 million yen (compared with 39,315 million yen in the first three quarters of the previous fiscal year). Major contributors included the payment of 81,616 million yen (33,767 million yen in the first three quarters of the previous fiscal year) for the purchase of property, plant and equipment, including the facilities of Aeon Mall Fukutsu (Fukuoka Prefecture) that opened in the previous fiscal year, land for future development, Aeon Mall Kyoto, which had previously been operated under a PM contract, and the facilities of Aeon Mall Kasukabe and Aeon Mall Tsukuba that opened in the first three quarters under review, and long-term prepaid expenses (included in "Other payments") of 7,318 million yen (5,721 million yen in the first three quarters of the previous fiscal year) associated primarily with the purchase of a land-use right in China, which was offset by a gain on sales of fixed assets of 64,570 million yen (0 yen in the first three quarters of the previous fiscal year), including sales to Aeon REIT Investment Corporation.

Cash flows from financing activities

Net cash provided by financing activities was 26,380 million yen (compared with 32,281 million yen in the first three quarters of the previous fiscal year). This was largely the result of proceeds from the issuance of common stock of 50,759 million yen, proceeds from long-term debt of 10,887 million yen (33,178 million yen in the first three quarters of the previous fiscal year), repayment of long-term debt of 21,524 million yen (25,429 million yen in the first three quarters of the previous fiscal year), redemption of bonds of 10,000 million yen, and dividends paid of 4,498 million yen (3,985 million yen in the first three quarters of the previous fiscal year).

(3) Qualitative information on consolidated earnings forecast

In terms of new malls, the Company opened Aeon Mall Makuhari Shintoshin (Chiba Prefecture) in December, which combines all the capabilities of the Aeon Group. This mall is the second largest in Japan after Aeon Lake Town (Saitama Prefecture), which represents the next generation of shopping malls serving as Aeon's first "omni-channel," offering new shopping styles by combining products, activities, and the internet based on the concept of "A place that creates fascination."

This mall consists of four malls, including "Grand Mall," "Family Mall," "Active Mall," and "Pet Mall," and houses approximately 360 specialty stores. Half of the tenants have opened their first stores in Japan, in Kanto, or in Chiba Prefecture, offering a variety of interactive services in addition to product sales.

Grand Mall, based on the theme of adult lifestyles, includes the "hobby zone," which is home to large specialty stores selling books and music as well as outlets of Japanese and overseas fashion brands, sundries, cosmetics, etc., the "entertainment zone," which features Yoshimoto Makuhari Aeon Mall Theater, a cinema, and other facilities, and the zone in which Japan's latest pop culture products on the theme of Cool Japan can be found. The general merchandise store "Aeon" has launched an initiative to offer a new shopping style that links physical and online stores by using information and communications technology (ICT). Family Mall offers a wide array of stores and dining options that can be enjoyed by people of all generations, including Kandu, Japan's first work-experience theme park that offers fun for three-generation families, and Toei Hero World. Active Mall is home to Japan's largest Sports Authority store as the anchor tenant, with an area of approximately 15,000 m^2, as well as other cycling and home appliance specialty stores offering a wide variety of products and interactive facilities. The mall also includes a large bouldering studio and indoor tennis and futsal courts. Pet Mall is the largest of its kind in Japan, offering 24-hour veterinary services, a pet hotel and a beauty salon, etc.

In the development of new malls and the renewal of existing malls, the Company aims to increase its competitiveness and efficiency through the functional integration of development businesses to create synergy using its experience in the initiatives undertaken for Aeon Mall Makuhari Shintoshin.

No change has been made to the full-year earnings forecast for the fiscal year ending February 2014 stated in the Consolidated Financial Results for the Fiscal Year Ended February 28, 2013, announced on April 9, 2013.

2. Matters Regarding Summary Information (Notes)

(1) Material changes in consolidated subsidiaries during the period

HANGZHOU YUHANG LIANGZHU MALL REAL ESTATE DEVELOPMENT CO., LTD., PT. AMSL DELTA MAS, and AEON MALL (CHINA) CO., LTD. are included in the scope of consolidation, as these companies were established during the first three quarters 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 November 30, 2013
Assets		
Current assets:		
Cash and deposits	33,312	55,962
Notes and accounts receivable—trade	2,261	2,818
Other current assets	27,521	74,347
Allowance for doubtful receivables	–	(5)
Total current assets	63,095	133,122
Fixed assets:		
Property, plant and equipment:		
Building and structures, net	276,947	281,144
Land	177,065	182,754
Other, net	18,356	32,635
Total property, plant and equipment	472,369	496,534
Intangible assets:	3,326	3,368
Investments and other assets:		
Lease deposits paid	52,792	50,793
Other	39,397	48,068
Allowance for doubtful receivables	(94)	(80)
Total investments and other assets	92,095	98,781
Total fixed assets	567,791	598,683
Total assets	630,887	731,806

(Million yen)

	As of February 28, 2013	As of November 30, 2013
Liabilities		
Current liabilities:		
Notes and accounts payable—trade	4,432	9,940
Bonds due within one year	10,000	23,000
Current portion of long-term debt	31,397	22,637
Income taxes payable	9,501	11,982
Allowance for employee bonus	608	745
Allowance for director and auditor performance-based remuneration	48	81
Provision for store closing expenses	–	300
Other current liabilities	67,627	106,936
Total current liabilities	123,614	175,622
Long-term liabilities:		
Straight bonds	48,200	25,200
Long-term debt	130,548	129,896
Accrued retirement benefits to employees	199	210
Asset retirement obligations	6,235	6,325
Lease deposits from lessees	103,633	106,868
Other long-term liabilities	678	345
Total long-term liabilities	289,495	268,846
Total liabilities	413,110	444,469
Net assets		
Shareholders' equity:		
Common stock	16,691	42,194
Capital surplus	17,000	42,502
Retained earnings	177,790	190,915
Treasury stock, at cost	(28)	(87)
Total shareholders' equity	211,454	275,525
Accumulated other comprehensive income:		
Net unrealized gain on available-for-sale securities	329	439
Foreign currency translation adjustment	3,261	8,044
Total accumulated other comprehensive income	3,591	8,484
Stock acquisition rights	141	168
Minority interests	2,588	3,159
Total net assets	217,776	287,337
Total liabilities and net assets	630,887	731,806

(2) Quarterly consolidated statements of income and quarterly consolidated statements of comprehensive income

(Quarterly consolidated statements of income)

(For the nine months ended November 20, 2012 and November 30, 2013)

(Million yen)

Nine months ended	November 20, 2012	November 30, 2013
Operating revenue	115,432	128,103
Operating costs	77,625	84,990
Gross profit	37,806	43,113
Selling, general and administrative expenses	10,129	12,933
Operating income	27,676	30,179
Non-operating profits:		
Interest income	308	470
Compensation paid by departing tenants	154	300
Foreign exchange gains	–	490
Other non-operating profits	89	237
Total non-operating profits	552	1,498
Non-operating expenses:		
Interest expenses	1,927	1,861
Other non-operating expenses	312	201
Total non-operating expenses	2,240	2,063
Ordinary income	25,989	29,614
Extraordinary gains:		
Gain on sales of fixed assets	0	6,993
Total extraordinary gains	0	6,993
Extraordinary losses:		
Loss on sales of fixed assets	–	5,722
Impairment losses	745	886
Loss on disposal of fixed assets	110	43
Provision for store closing expenses	300	–
Other extraordinary losses	280	150
Total extraordinary losses	1,436	6,803
Income before income taxes and minority interests	24,553	29,805
Income taxes		
—Current	11,124	12,676
—Deferred	(572)	(579)
Total income taxes	10,552	12,097
Income before minority interests	14,001	17,708
Minority interests in net income	48	84
Net income	13,952	17,624

(Quarterly consolidated statements of comprehensive income)

(For the nine months ended November 20, 2012 and November 30, 2013)

(Million yen)

Nine months ended	November 20, 2012	November 30, 2013
Income before minority interests	14,001	17,708
Other comprehensive income		
Net unrealized gain on available-for-sale securities	18	109
Foreign currency translation adjustment	(106)	4,450
Total other comprehensive income	(88)	4,560
Comprehensive income	13,913	22,268
Comprehensive income attributable to:		
Owners of the Company	13,864	22,516
Minority interests	48	(247)

(3) Quarterly consolidated statements of cash flows

(Million yen)

Nine months ended	November 20, 2012	November 30, 2013
Cash flows from operating activities:		
Income before income taxes and minority interests	24,553	29,805
Depreciation and amortization	15,770	17,740
Impairment losses	745	886
Increase (decrease) in provision for store closing expenses	300	–
Interest and dividend income	(326)	(492)
Interest expenses	1,927	1,861
Loss (gain) on sales of fixed assets	(0)	(1,271)
Decrease (increase) in receivable—trade accounts	740	(490)
Decrease (increase) in other current assets	(10,040)	(5,795)
Increase (decrease) in payable—trade accounts	1,196	5,460
Increase (decrease) in other current liabilities	10,175	18,468
Other, net	1,894	3,262
Subtotal	46,935	69,435
Interest and dividends received	55	296
Interest paid	(2,067)	(1,932)
Payments for loss on disaster	(1,493)	–
Income taxes paid	(15,104)	(10,292)
Net cash provided by operating activities	28,326	57,507
Cash flows from investing activities:		
Purchase of property, plant and equipment	(33,767)	(81,616)
Proceeds from sales of property, plant and equipment	0	64,570
Purchase of investment securities	(280)	(29)
Payment of lease deposits to lessors	(233)	(5,731)
Reimbursement of lease deposits to lessors	1,876	3,222
Repayment of lease deposits from lessees	(4,489)	(6,476)
Proceeds from lease deposits from lessees	3,904	6,375
Other payments	(6,548)	(16,318)
Other proceeds	221	8,849
Net cash used in investing activities	(39,315)	(27,154)
Cash flows from financing activities:		
Net increase (decrease) in short-term borrowings and commercial paper	3,500	–
Proceeds from long-term debt	33,178	10,887
Repayment of long-term debt	(25,429)	(21,524)
Proceeds from issue of bonds	25,000	–
Redemption of bonds	–	(10,000)
Proceeds from issuance of common stock	–	50,759
Purchase of treasury stock	(0)	(59)
Dividends paid	(3,985)	(4,498)
Dividends paid to minority shareholders	(6)	(6)
Other	24	821
Net cash provided by financing activities	32,281	26,380
Foreign currency translation adjustments on cash and cash equivalents	(84)	2,513
Net increase (decrease) in cash and cash equivalents	21,206	59,246
Cash and cash equivalents at beginning of the period	8,440	39,292
Cash and cash equivalents at end of the period	29,647	98,539

(4) Notes on the going concern assumption

Not applicable

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

The Company carried out a capital increase through a public offering whose payment date was June 19, 2013, and a capital increase through a private placement whose payment date was July 12, 2013. Through the capital increases, common stock and capital surplus each increased 25,500 million yen, and at the end of the first three quarters of the fiscal year under review, common stock and capital surplus stood at 42,194 million yen and 42,502 million yen, respectively.

(6) Segment information

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