

Domestic Operations

To achieve customer satisfaction, we always respond swiftly to customer needs. We strive to offer even more attractive financial services to cardmembers in our credit card business and other operations.



Credit Card Business

Expanding the Card-member Base

During the year under review, we expanded the card-member base for the AEON CARD SELECT, which incorporates an AEON BANK cash card function and benefits, by 0.44 million from the beginning of the fiscal year to 1.53 million members and strengthened card member recruiting utilizing bank agency service branches and the Internet. In addition, we issued co-branded cards with Hokkaido Railway Company and East Nippon Expressway Company Limited. As a result, the number of card members increased by 1.01 million from the beginning of the fiscal year to 21.01 million members.

In addition, as a result of a 30th anniversary campaign and joint promotions with COSMO OIL Co., Ltd., and other business partners, we achieved a net increase of 0.75 million active cardholders in Japan to 12.68 million members from the beginning of the fiscal year and a net increase of 10.4% year on year in credit card purchase volume to ¥2,762,542 million.

Fee Businesses

E-Money Business

In the e-money business, Bic Camera Inc. and expressway service areas began accepting WAON, and we strengthened activities to acquire affiliated merchants at shopping districts in regional areas and airports. As a result, the number of merchants accepting WAON increased by approximately 36,500 from the beginning of the fiscal year to 139,000 nationwide.

In addition, as a result of efforts to increase the number of card members for WAON-integrated cards, such as the AEON CARD and Cosmo The Card Opus, the total number of WAON cards issued steadily increased to 24.10 million, and e-money total transaction volume increased 16.9% year on year to ¥1,044,790 million.

Bank Agency Services

In the bank agency service business, we opened in AEON shopping centers nine AEON BANK comprehensive financial branches, which provide one-stop services including banking, credit and insurance products,

bringing the number of branches in shopping centers to 66 locations (out of a total of 80 branches). This network expansion, coupled with promotion of home mortgage loan agency services and the opening of new accounts, boosted mortgage loan transaction volume 18.0% to ¥96,772 million.

In addition, on January 27, 2012, the Company acquired the shares of TOSHIBA Housing Loan Service Corporation (now AEON HOUSING LOAN SERVICE CO., LTD) and made it a consolidated subsidiary. Future plans call for expansion of AEON HOUSING LOAN SERVICE CO., LTD's business operations by utilizing our customer data and business network.

Joint ATM Business

In the joint ATM business, the Company worked to increase customer convenience by conducting campaigns, such as Customer Wakuwaku Days, among others, whereby customers who use ATMs on the 5th, 15th, and 25th of the month receive promotional coupons, and acquiring the acceptance of AEON BANK cash cards at approximately 11,500 ATMs operated by E-net Co., Ltd.

Credit Guarantee Business

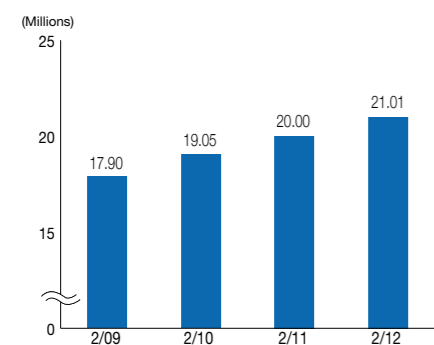
In the credit guarantee business, the Company achieved a 91.4% increase year on year in the credit guarantee balance to ¥20,787 million attributed to the increase of AEON Bank loan card issued.

Activities of Domestic Subsidiaries

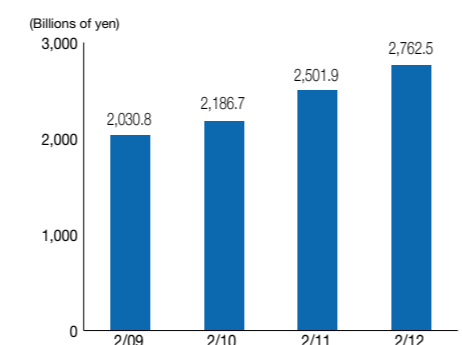
ACS CREDIT MANAGEMENT CO., LTD., which operates servicing businesses, continued efforts to expand its businesses by reinforcing the communication charges and public utility charges collection service and purchasing finance receivables from financial institutions.

AEON S.S. Insurance Co., Ltd. worked to increase the number of insurance contracts by developing a new accidental insurance product, among others, to complement AEON's private medical and home insurance products and strengthening the agency network in the Tokyo metropolitan area.

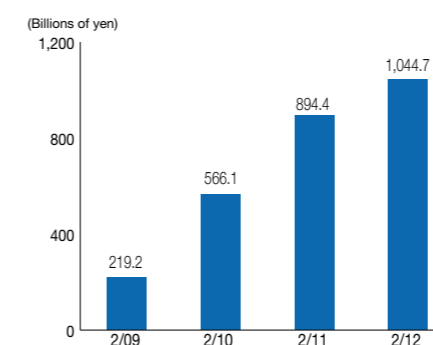
Number of Cardmembers (Domestic)



Credit Card Purchase Volume (Domestic)



E-Money Purchase Volume



Long-Term Debt Duration

