

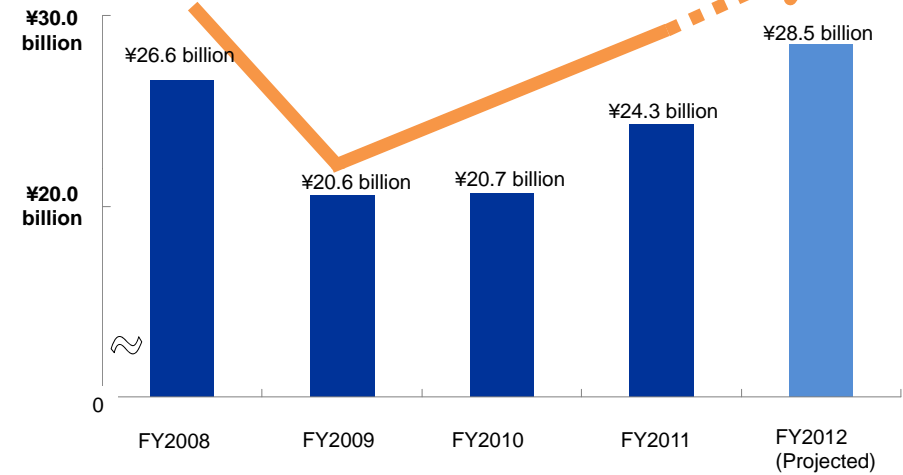
## Structural Reform of AEON's Financial Services Business

1

## AEON Credit Service Consolidated Operating Income (FY2008 – FY2012)



■ The operating income is posting a V-shaped recovery from promoting bank agency works, electronic money and other fee businesses inside Japan and developing business abroad in 11 Asian countries and regions.

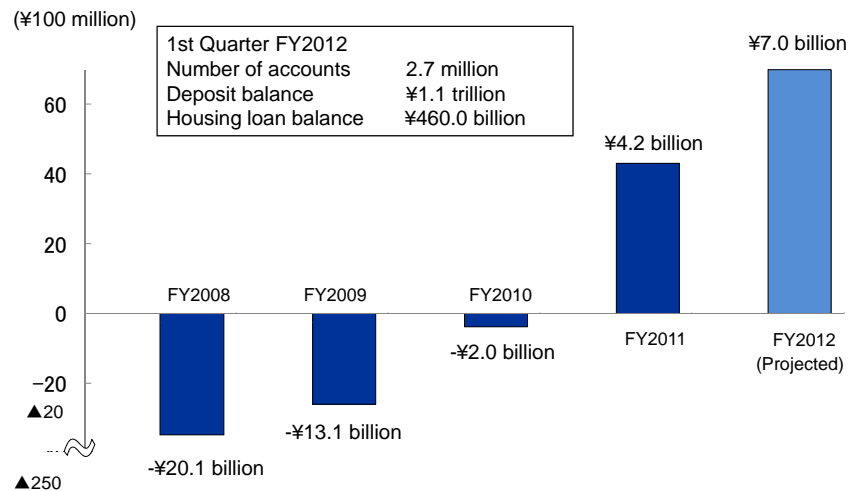


2

## AEON Bank Consolidated Net Income



• The number of accounts and housing loan balance have steadily increased from expanding the sales network including bank outlets and ATMs, and AEON Bank posted a net profit in FY2011.



3

## Background and Objectives of the Structural Reform



	AEON Credit Service	AEON Bank
Understanding of the Environment	<ul style="list-style-type: none"> <li>The management environment is greatly changing with the strengthening of regulations and other developments</li> <li>The competition is intensifying with the entry of IT companies, cell phone companies and other new market entrants</li> </ul>	<ul style="list-style-type: none"> <li>The management environment is changing with industry realignment and technological innovation</li> <li>Intensified competition in housing loans and other fields</li> </ul>
Issues at Each Company	<ul style="list-style-type: none"> <li>Strengthen fundraising ability</li> <li>Change the revenue structure from financing-centered to fee business</li> <li>Strengthen development of the credit business overseas</li> </ul>	<ul style="list-style-type: none"> <li>Strengthen sales ability for steady growth</li> <li>Expand customer base utilizing AEON and WAON Card membership</li> <li>Expand operation by enhancing equity capital</li> </ul>

Implement structural reform toward further growth

Launch the bank holding company AEON Financial Service as the core of the Group's financial services business

4

## Structural Reform Process

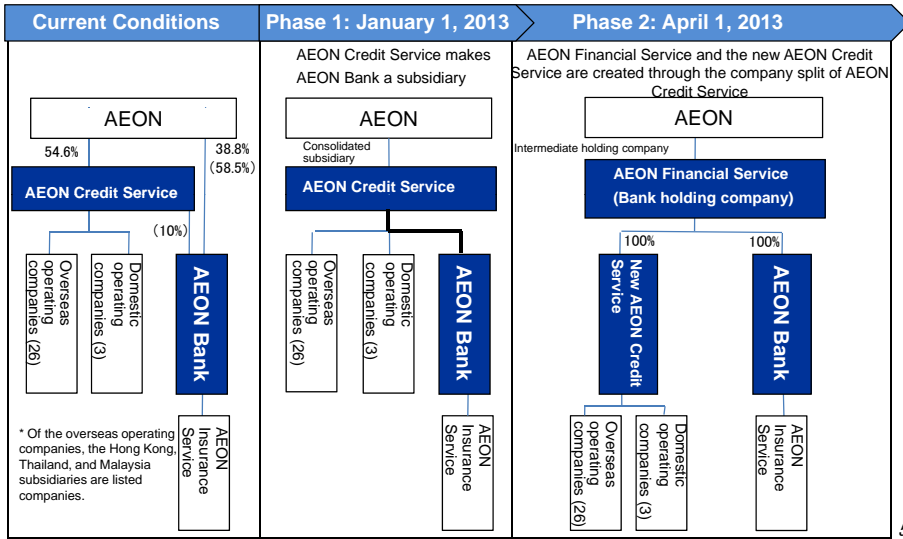


### [Phase 1] January 1, 2013 (scheduled)

- Conduct a share exchange to make AEON Bank a subsidiary of AEON Credit Service, contingent on approval from the Financial Services Agency

### [Phase 2] April 1, 2013 (scheduled)

- Company split of AEON Credit Service, Launch of AEON Financial Service (retain listing), and creation of New AEON Credit Service

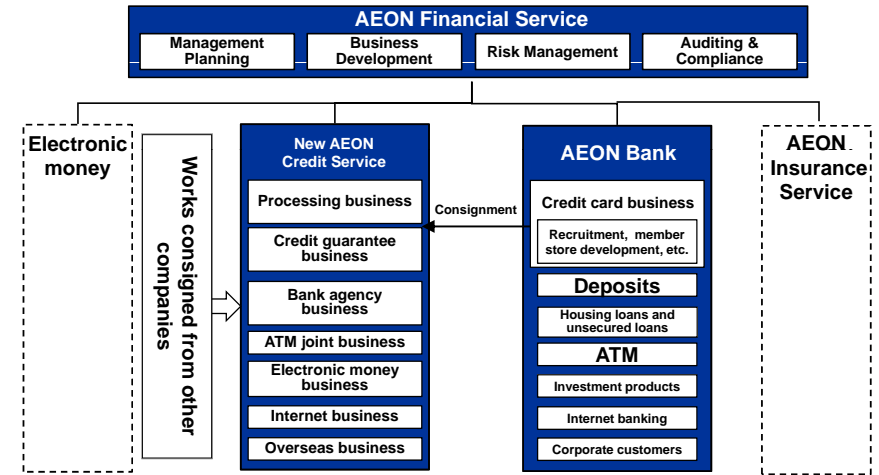


5

## New Structure under the Bank Holding Company

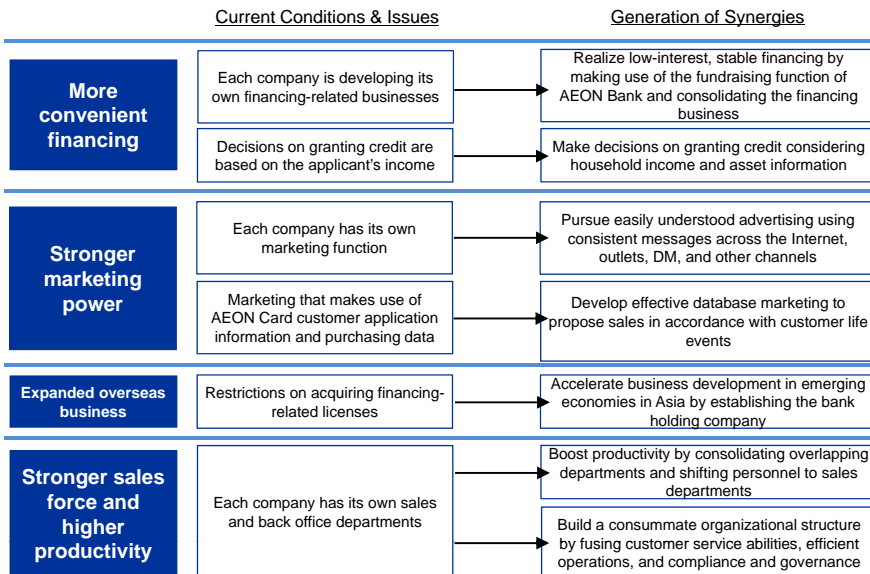


- AEON Financial Service will build a compliance and governance structure, and plan and develop new businesses.
- New AEON Credit Service will strengthen fee businesses by expanding work commissioned by other companies as well as by AEON Bank.
- AEON Bank will expand the financing business by making use of its own deposit collection function, AEON Credit's know-how, and the Group's platform.



6

## Synergy from the Structural Reform

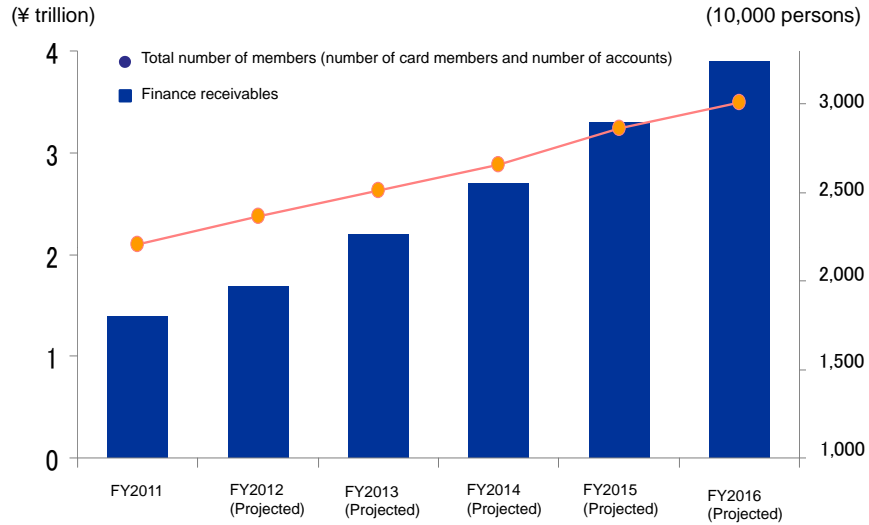


7

## Mid-term Growth Strategy under the New Structure

8

## Mid-term Performance Targets (Domestic Business Contents)



9



## Future Outlook



Note: This announcement is intended as publication of general information regarding the execution of the share exchange agreement and the integration agreement by and between AEON CREDIT SERVICE CO., LTD. and AEON BANK, LTD., and has not been prepared for the purpose of offering or soliciting the shares or other securities issued by AEON CREDIT SERVICE CO., LTD. or AEON BANK, LTD. Forward looking statements contained in this announcement such as estimates, expectations, and forecasts are prepared based on the information available to AEON CREDIT SERVICE CO., LTD. or AEON BANK, LTD. as of the date of this announcement and on certain assumptions and qualifications, and the actual results of operations may be substantially different from such forward looking statements contained in this announcement due to the risks factors such as the domestic and global economic situations, the legal regulations, the competitive environment in the industry, the fluctuation of interest rates and investment returns, and the exchange rate of foreign currency.

11