Notification of Recording of Extraordinary Loss

A Board of Directors of AEON Credit Service Co., Ltd. (the "Company") have resolved at a meeting held on December 26, 2011 to record an extraordinary loss in its consolidated financial results for the third quarter of the fiscal year ending February 20, 2012. Details are as follows.

1. Details of the Extraordinary Loss

AEON THANA SINSAP (THAILAND) PLC. (the "Subsidiary"), a consolidated subsidiary of the Company operating in Thailand, increased its bad debt provision in consideration of the impact of the flood crisis that occurred in Thailand in October 2011 (the "special provision"). As a result, the Company recorded a consolidated extraordinary loss of ¥3,048 million in the nine-month period ending November 20, 2011.

Reference

The Subsidiary's financial results for the nine-month period, announced on December 23, 2011 to The Stock Exchange of Thailand show an operating loss of THB 101 million as a result of recording the special provision of THB 1,283 million as an operating expense in addition to the normal provision of allowance for bad debts and doubtful accounts. However, the Subsidiary's operating income incorporated in the Company's consolidated financial statements announced today (Japanese GAAP) is THB 1,062 million (an increase of 26.3% compared with the same period of the previous fiscal year) because the special provision was accounted for as an extraordinary loss as outlined above in "1. Details of the Extraordinary Loss."

2. Outlook

The forecast of consolidated financial results for the fiscal year ending February 20, 2012 has not been revised in connection with the above extraordinary loss.

* The above materials are based on information available as of the date of this announcement. Actual results may differ due to various factors.

ENDS