



June 20, 2014

For immediate release

Registered Company Name: AEON Financial Service Co., Ltd.

President and CEO: Akinori Yamashita

Stock Listing: Tokyo Stock Exchange, First Section

(Code No.: 8570)

Contact: Hideki Wakabayashi, Director, Senior Managing Executive Officer

## Matters Pertaining to Controlling Shareholder

AEON Financial Service Co., Ltd. (the “Company”) hereby provides notice of matters pertaining to its controlling shareholder with regard to its parent company, AEON Co., Ltd., as follows.

### 1. Trade Name of the Parent Company, Controlling Shareholders (Other than the Parent Company) or Other Affiliated Companies

(As of March 31, 2014)

Trade Name	Relationship	Percentage of Voting Rights (%)			Financial Instruments Exchange where Issued Shares Are Listed
		Direct	Indirect	Total	
AEON Co., Ltd.	Parent company	41.6	3.5	45.1	Tokyo Stock Exchange, Inc., First Section

### 2. Position of Listed Company in the Business Group of the Parent Company and Relationships with Other Listed Companies and the Parent Company

(As of June 20, 2014)

The Company is affiliated with AEON Co., Ltd. (“AEON”; a pure holding company) and the business group composed of AEON’s consolidated subsidiaries and equity-method affiliates (the “AEON Group”). AEON works to maximize Group synergy, with responsibilities including planning strategy for the AEON Group, optimally allocating management resources, disseminating and regulating its management philosophy and basic principles, and providing shared services, while the companies of the AEON Group, which includes the Company, work to further raise customer satisfaction by increasing their expertise and conducting management in close contact with local communities.

In its operations as a bank holding company, the Company strives to expand its credit, banking, fee and overseas businesses and to further upgrade its structure by strengthening compliance and corporate governance.

In addition, the Company works to increase corporate value by maximizing synergy in unison with the companies of the AEON Group as a comprehensive financial group that combines the retail and finance businesses through measures such as offering discounts and conducting programs for cardholders at AEON Group outlets.

While carrying out day-to-day business operations based on its own management judgment, the Company consults with

or reports to AEON on significant problems in the operation of its business. The Company maintains close coordination with AEON and the other AEON Group companies, and each party fully respects the others' independence and autonomy as it works for continuous improvement in growth, expansion and business results.

In light of the above, the Company recognizes that efforts to maximize coordination and synergy with AEON Group companies are linked to profits for minority shareholders.

#### Positions Concurrently Held by Officers

(As of June 20, 2014)

Position	Name	Main Position at Parent Company or Group Company	Reason for Appointment
President and CEO	Akinori Yamashita	· AEON Co., Ltd.: Senior Executive Vice President CEO, Financial Service Business and Group e-money Business Officer	To strengthen coordination with the Group's comprehensive financial business and the e-money business
Standing Auditor (Outside)	Yotoku Hiramatsu	· AEON Retail Co., Ltd.: Corporate Auditor · AEON Mall Co., Ltd.: Outside Director	To strengthen supervisory functions by reflecting his wealth of experience at a listed company and broad insight in the Company's auditing
Auditor (Outside)	Koshi Yamaura	· AEON Delight Co., Ltd.: Outside Corporate Auditor · AEON Retail Co., Ltd.: Outside Corporate Auditor	To strengthen supervisory functions by reflecting his wealth of experience and broad insight in the Company's auditing
Auditor (Outside)	Kazumasa Hamada	· AEON Co., Ltd.: Vice President Group Control & Accounting Officer · AEON Kyushu Co., Ltd.: Director · The Daiei, Inc.: Outside Auditor	To strengthen supervisory functions by reflecting his wealth of experience in and knowledge of financial management at a listed company in the Company's auditing

#### 3. Matters Pertaining to Transactions with the Controlling Shareholder

(As of March 31, 2014)

Details of Transaction	Transaction Amount (Millions of Yen)	Account Item	Balance at End of Term (Millions of Yen)
Royalty payments	4,719	Accounts payable – other	409

Notes: 1. Transaction amount does not include consumption tax.  
2. Royalties are determined in a reasonable manner upon consultation.

#### 4. Status of Implementation of Measures to Protect Minority Shareholders in Conducting Transactions with the Controlling Shareholder

Conditions of transactions with AEON and AEON Group companies are determined in the same manner as ordinary transactions. Accordingly, the Company believes that it maintains a fixed degree of independence from AEON and AEON Group companies.

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