AEON Financial Service

Stock Listing : Tokyo Stock Exchange, Prime Market
Code No. : 8570

About Us (ENG)

Update date: October 15, 2026

Company Information

■Company Information

Establishment	20 June , 1981
Consolidated Operating revenue	569.3 Bn JPY (FY2025)
Consolidated Operating profit	60.6 Bn JPY (FY2025)
Total Assets /Net Assets	8,313.9 Bn JPY/ 625.9 Bn JPY (FY2025)
Market capitalization / Share Price	381.0 Bn JPY/ 1,765 JPY (Feb 28, 2026)
Dividend per share/ Dividend yield	53 JPY/ 3.00% (Feb 28, 2026)
Number of Employees	14,942 (Feb 28, 2026)

■Bond Credit Ratings

Rating Institution		Rating
JCR	Short Term	J-1
	Long Term	A(Stable)
R&I	Short Term	A-1
	Long Term	A-(Stable)

■Dividend Policy

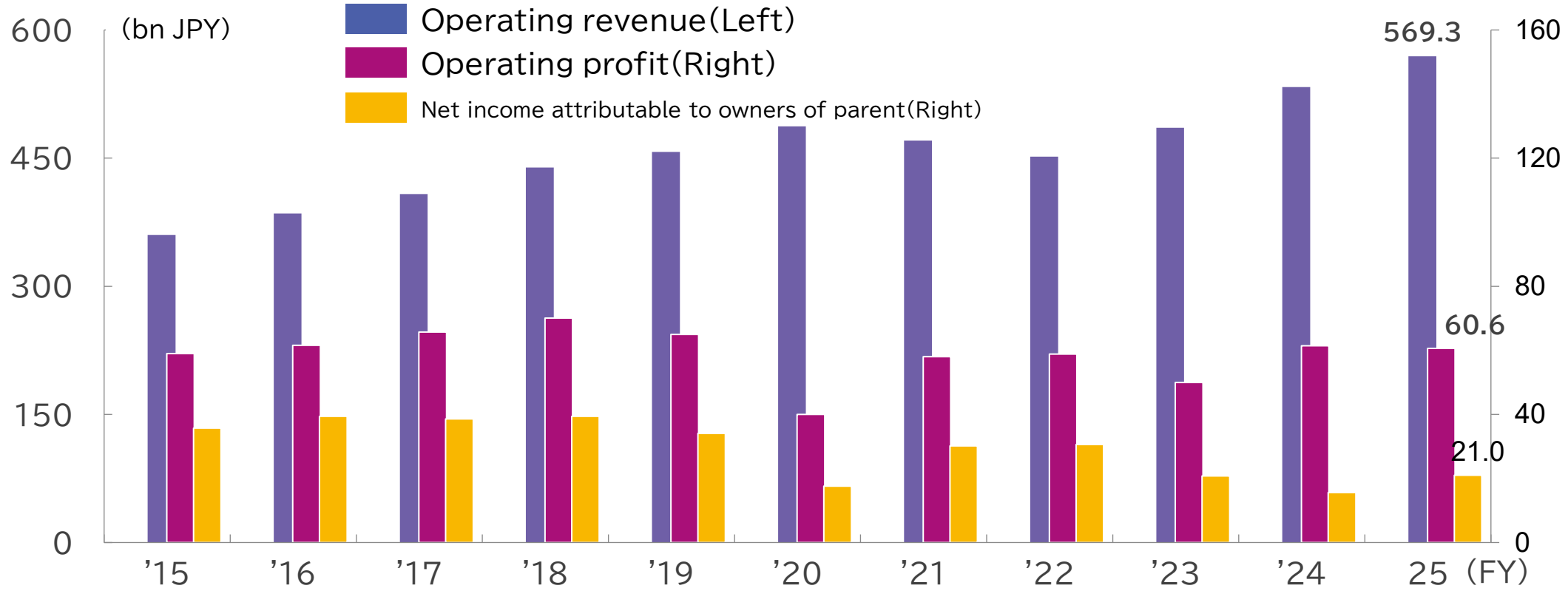
- Dividend payout ratio of 30-40%
- Stable and sustainable dividend

Consolidated Financial Results over 10 years(FY2015-FY2025)

Expanding business performance while responding to changes in the external environment.
Aiming to surpass the performance in pre-COVID-19 period as soon as possible.

External environment

- 2016:BOJ introduced low interest rates policy
- 2019:Demo in HK & Consumption tax hike(8%→10%), COVID-19
- 2024: Transitioning to a world with interest rates



	'15	'16	'17	'18	'19	'20	'21	'22	'23	'24	25
ROE	12.7	12.4	10.8	10.5	8.8	4.5	7.3	7.1	4.7	3.4	4.5
PBR	1.81	1.31	1.43	1.28	0.86	0.73	0.60	0.64	0.62	0.57	0.81

※"Accounting Standard for Revenue Recognition" etc. have been applied from the beginning of FY2022

Business Segment

■ Business Segment

Domestic

Retail



Banking and insurance geared towards individual customers

Solutions



Provision of financial services for affiliated stores

Overseas

China area

Hong Kong　China

Mekong area

Thailand　Cambodia

Vietnam　Laos

Malay area

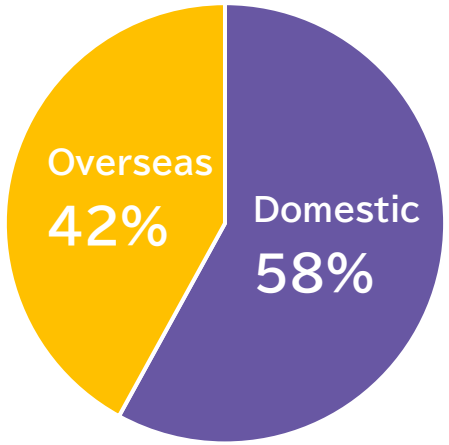
Malaysia

Indonesia　India

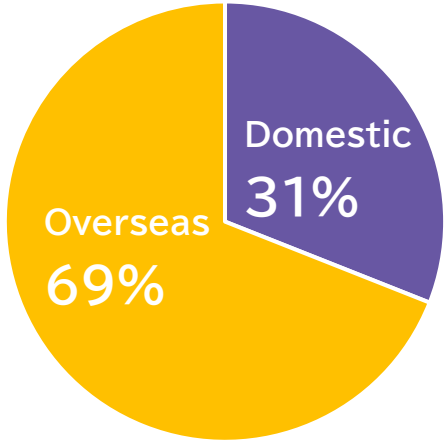
Providing financial services to individual customers and affiliated stores in each region

■ Composition of Domestic and Global

Operating revenue



Operating profit



High proportion of operating profits are from overseas markets with growth potential

AEON Group touch points across the country

One of the top retail groups in Japan

Number of Group employees:	About 620,000
Number of stores:	About 18,000
Number of countries:	13 countries

Touch points across the country

Card shopping transaction volume(Consolidated):	About 8 trillion yen
Number of locations:	392
Number of countries:	11 countries

Operating revenues(Consolidated)

About 10 trillion yen

Number of valid IDs(Consolidated)

59.51 million

[Domestic] Providing innovative financial services

The company has grown by offering innovative services that go beyond conventional frameworks, such as issuing the industry ‘s first gold card with no annual fee and introducing credit card payments at food counters that do not require signatures.



In 1991

Industry’s first signature-less payment at food counters



In 2003

Industry’s first gold card with no annual fees



In 2007

A bank you can stop by while shopping open 365 days a year

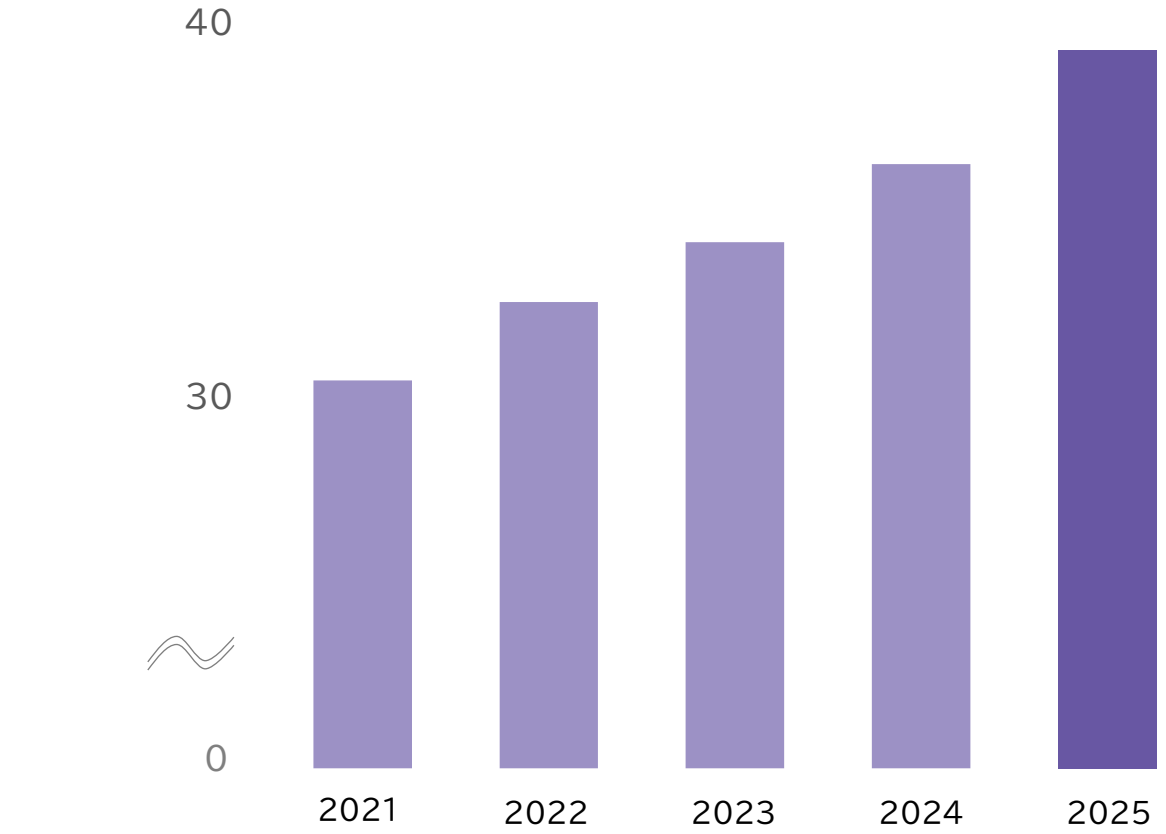
[Domestic] Number of valid domestic IDs (FY2021~FY2025)

Expanding the number of cardholders by offering no annual membership fees as well as preferential points and discounts at AEON group stores.

Number of valid domestic IDs

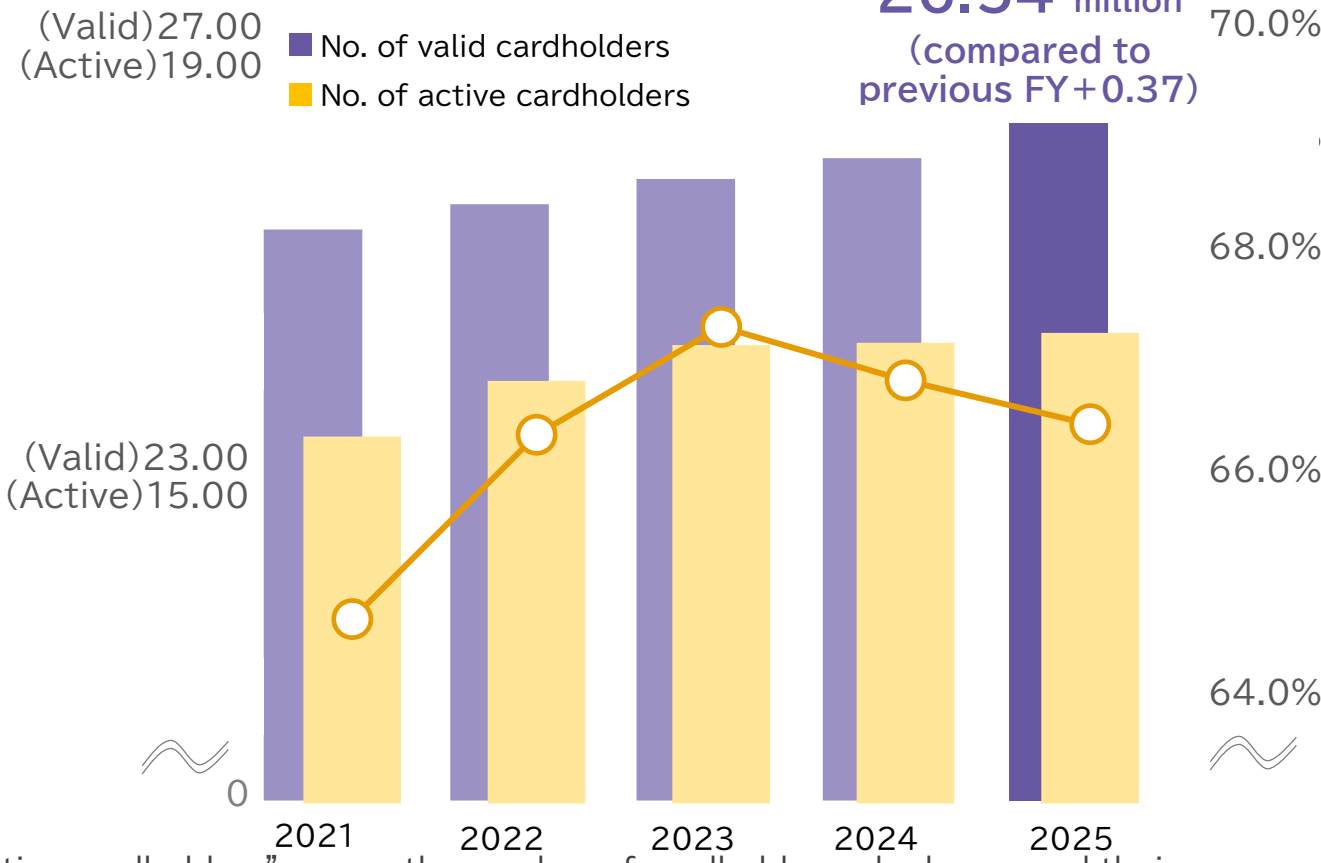
39.25 million
(Difference from beginning of term +3.09million)

(Unit：million people)



No. of valid domestic cardholders /utilization rate

26.54 million
(compared to previous FY+0.37)

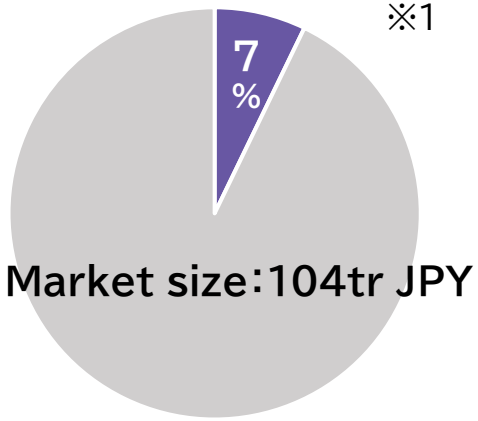


※ “No. of active cardholders” means the number of cardholders who have used their cards at least once within the previous 12 months.

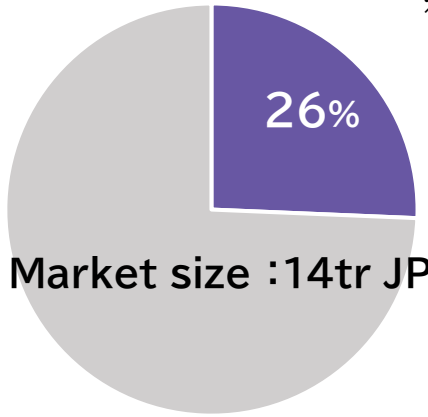
[Domestic] Market Share of Payment Business

《Market Share》

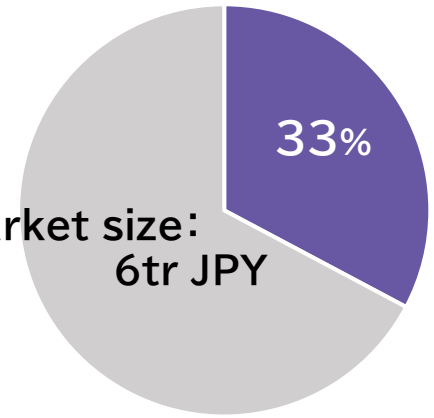
Card shopping transactions ※1



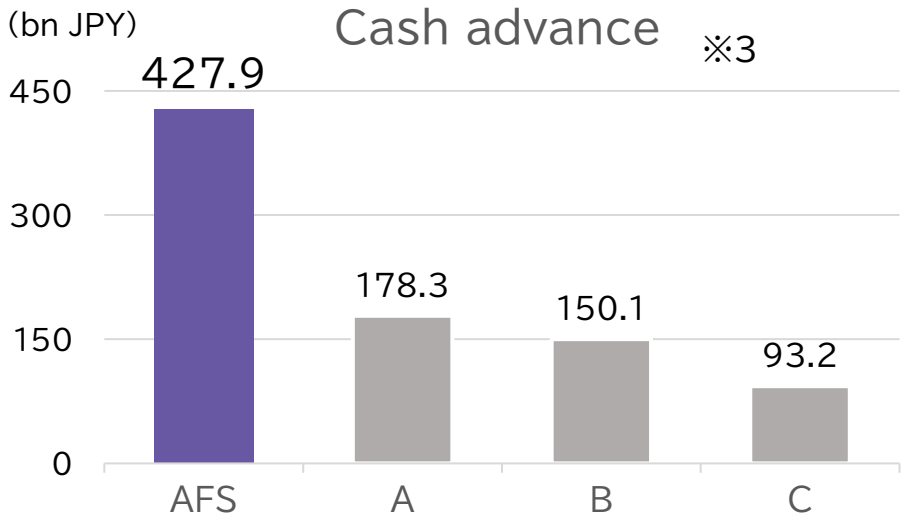
Card cashing transactions ※1

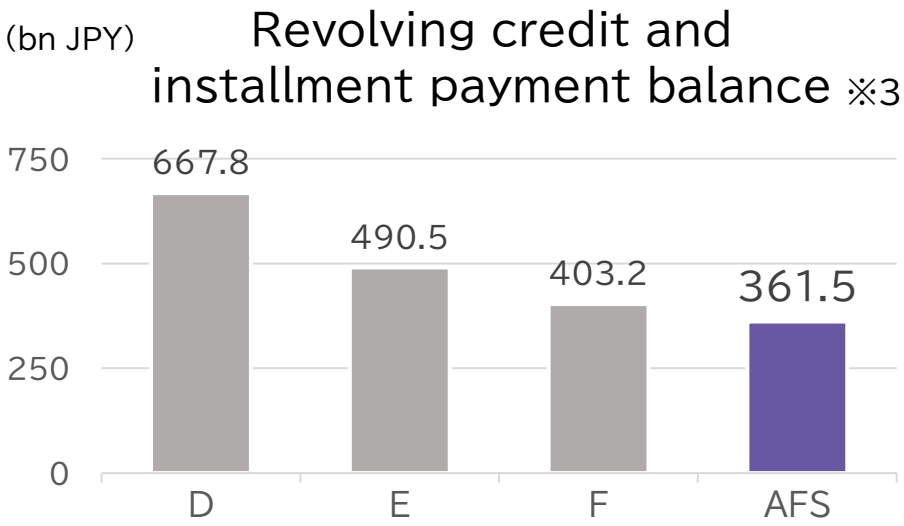


E-money transactions ※2



《Balance of receivable》





※1 Based on AFS data FY2024 compared with Japan Consumer Credit Association research for FY2024
※2 Based on a METI research FY2024 ※3 Based on data published by Yano Research Institute Ltd. FY2025

[Domestic] Unique advantages due to owning a bank

Low-interest funding cost allows for high yields.

Offering customers high interest rates on savings accounts depending on transactions.

Prioritizing the acquisition of high-yield loans

AFS group Total Assets ¥6.9tn

【Assets】

Revolving credit Installment payment Yield16%

Cash advances Yield14%

Housing-related loans Yield 1%

【Liabilities】

Deposit 5.4tr

【Net assets】

Credit Card

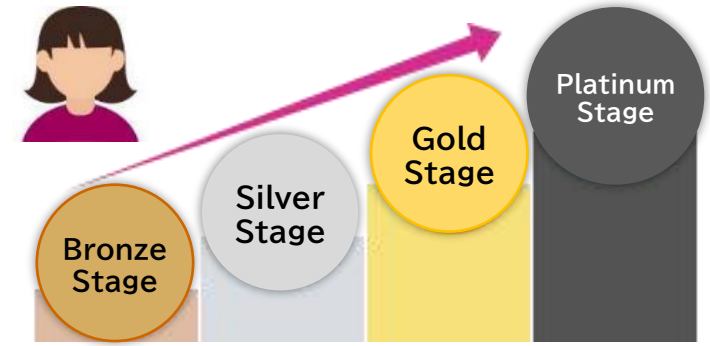
WAON

Internet Banking Registration

Loan contracts

…etc

Membership stage based on transactions

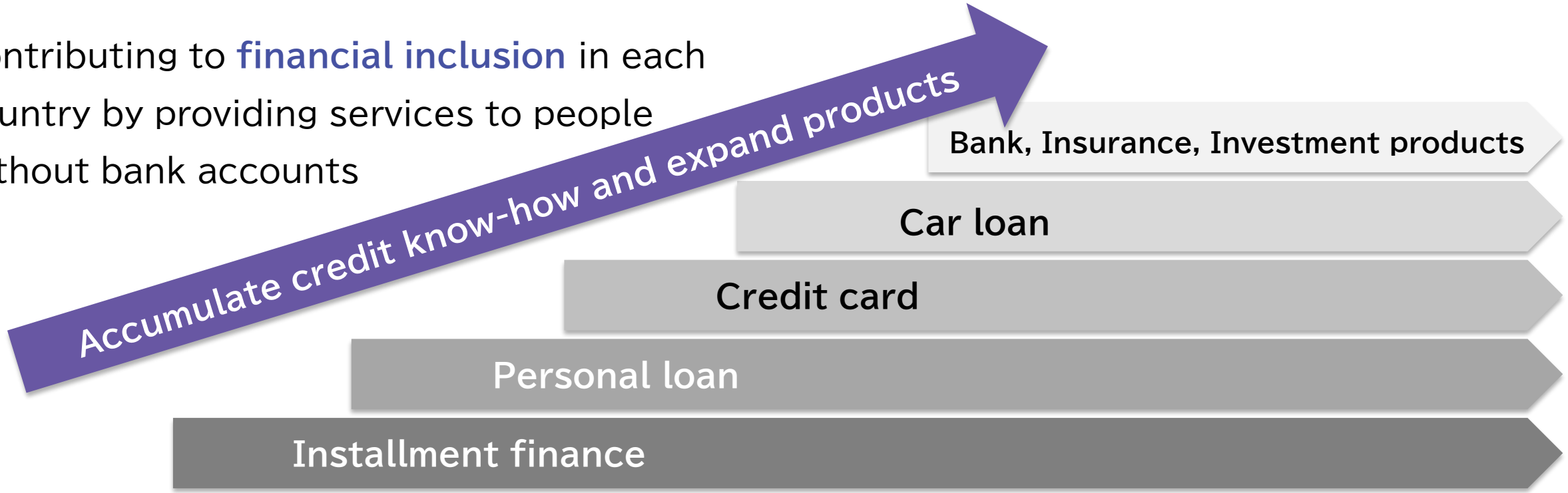


Change in number of free transfers and interbank ATM withdrawals.

[Global] History of Overseas Expansion and Business Models

History	1980s	1990s	2000s	2010s	2020s
	•1987 Hong Kong	•1992 Thailand •1996 Malaysia	•2000 China •2006 Indonesia •2008 The Philippines Vietnam	•2011 India Cambodia •2012 Laos Myanmar	•2024 Opening of a digital bank in Malaysia *Country's first Islamic digital bank •2025 Acquisition of equity stake in PTF (Vietnam)

Contributing to **financial inclusion** in each country by providing services to people without bank accounts



Business operation of each area

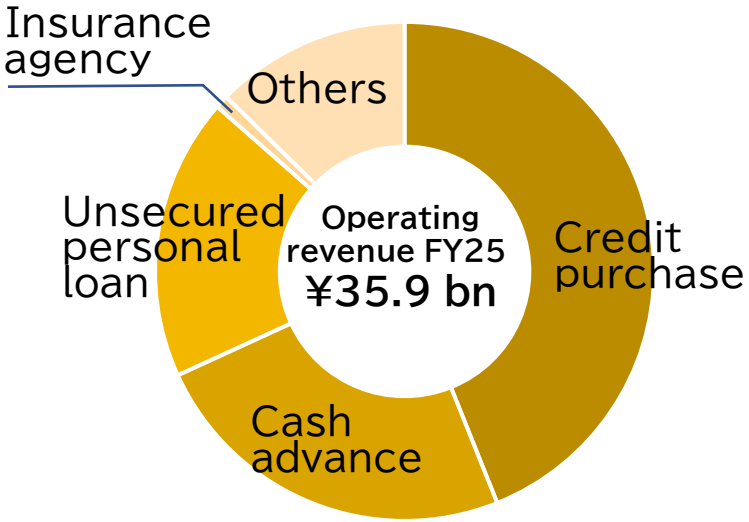
● now available
■ in preparation

	Domestic	Mekong area				Malay area			China area	
	Japan	Thailand	Cambodia	Vietnam	Laos	Malaysia	Indonesia	India	Hong Kong	China
AEON Group stores	●	●	●	●		●	●		●	●
Credit card	●	●	●	■		●	●		●	
Bank	●					●				
E-money (Prepaid)	●		●	■		●			■	
Installment finance	●	●	●	●	●	●	●	●		●
Personal loan	●	●	●	●		●		●	●	●
Insurance agency	●	●		●		●		●	●	●
Servicer (Third party's finance receivable)	●	●								●
Shared points system				●		●			■	
BNPL							●			

※Available only in Japan： Home Loan / Lease / Short-Term insurance

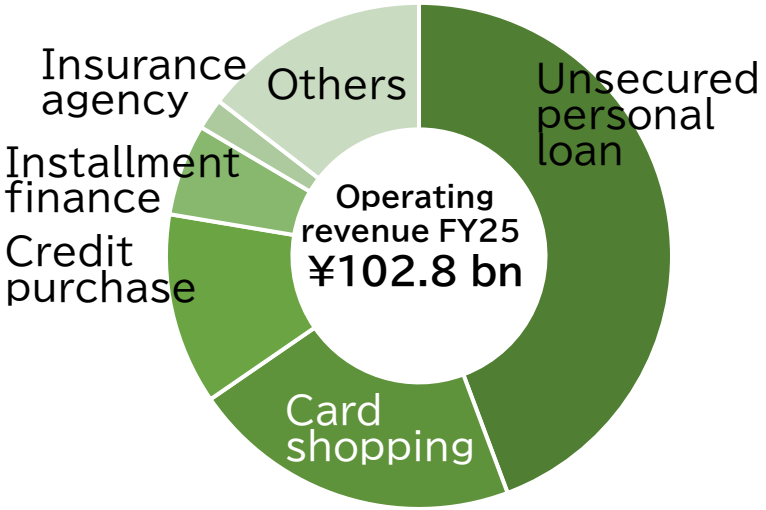
[Global] Feature of Global Business

■ China Area



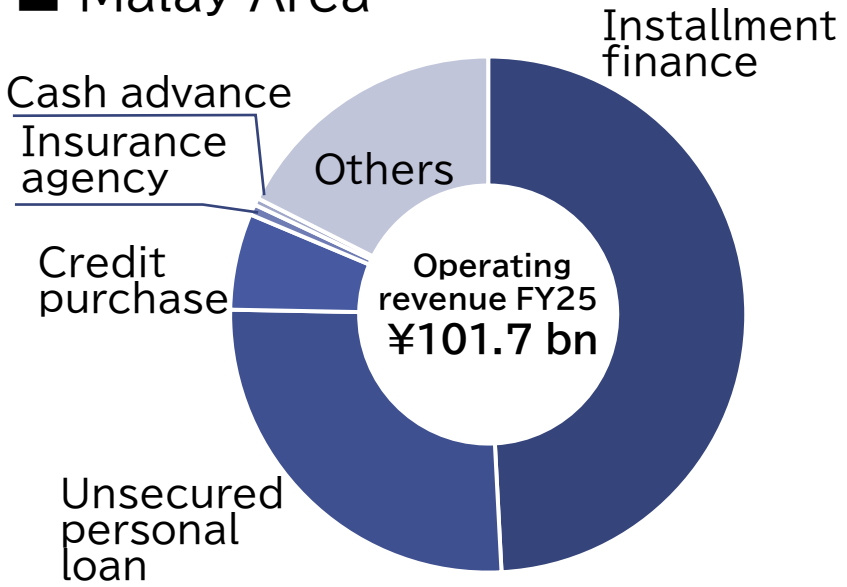
Offering financing mainly through credit cards in Hong Kong.

■ Mekong Area



High market share in Thailand among local non-banks in unsecured personal loans and credit cards.

■ Malay Area



Mainly installment sales for motorcycles, which have the largest market share in Malaysia

Operating Country



Hong Kong

China

Operating Country



Thailand Cambodia Vietnam Laos

Operating Country



Malaysia Indonesia India

[Global] China Area－Business in Hong Kong

In addition to leveraging the strengths of the Japanese brand through sales activities such as collaborations with local AEON retailers and AEON cards with benefits for visitors to Japan, the company is also responding to changing local needs by supporting UnionPay QR payments on its own app.

《Collaboration with Aeon Stores Hong Kong》





《Dealing with tourists traveling to China and Japan》





Provides credit cards for tourists visiting Japan and the code payment “UnionPay QR” for tourists visiting China.

[Global] Mekong Area－Business in Thailand

・Personal loan and credit card businesses are both in the top 3 among local non-banks.

《Examples of alliances with local companies》



Credit card
with mileage function





Credit card
with IC ticket function





Credit card with movie
theater discounts



《Digitalization》



”Next Gen“ fully digitalized credit card issued via ATS smartphone app.

[Global] Malay Area－Business in Malaysia

We are the largest non-bank lender in the region and hold the No. 1 market share for motorcycle loans (accounting for nearly 30% of new vehicle registrations).

The application process is fully online, eliminating the need to visit a branch, making it accessible to customers far from branches.

《Installment Finance (Revolving Payments)》



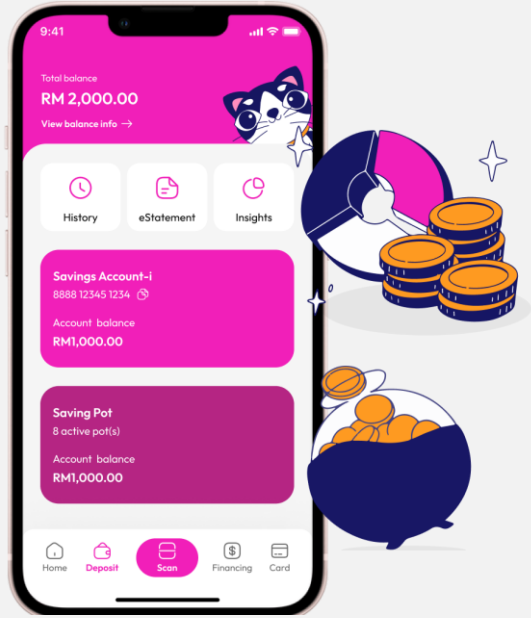
High motorcycle ownership rate (2.3 people/bike)
We have long held the No. 1 market share for motorcycle loans in Malaysia.

《Personal Loans》



In addition to making the application process fully online, we have launched the digital membership program FinPlus.

《Digital Bank》



Launched in May 2024
Malaysia's first Islamic finance-based digital bank

Purpose-formulation

Our Purpose

Our purpose is to bring
"finance" closer to everyone.
By committing
to each and every person,
we brighten up everyday lives
with peace of mind and smiles.

- Common decision-making policy of AFS Group to maximize the value provided to customers and enhance corporate value

Our Purpose QR code

https://www.aeonfinancial.co.jp/en/purpose/

Includes background on the formulation of the Purpose and the thoughts behind the Purpose.

Sustainability

- Establish targets to be achieved by 2030 for four key materiality, and strive to address them to realize sustainable growth.

Materiality		Key Indicators (2030)	
Human Rights	Pursuit of happiness through innovative financial services	✓ Digital provision of all financial products and services, and continuous updates to security measures to ensure customers can use them with peace of mind ✓ Providing cross-border (borderless) ✓ Developing and securing talent to drive digital transformation ✓ Promoting financial inclusion initiatives	✓ Collaboration with local regions and communities ✓ Disaster response support through financial services ✓ Total number of financial education participants: 500,000 (Japan: 350,000, Overseas: 150,000) ✓ Review of Sustainable Investment and Financing Policy ✓ Implementation of Sustainable Finance
	Diversity and realization of potentials	✓ Percentage of Women in Management: 30% at Executive Officer level and above, 30% in Department Head positions ✓ Employment rate of people with disabilities: 3% (Japan) ✓ PRIDE Index certification (Japan)	✓ 100% Men's paternity leave uptake rate (Japan) ✓ Enhanced Employee Training ✓ Improving employee engagement
Establishment of resilient business foundation		✓ Compliance with Laws and Regulations ✓ Number of business interruptions due to incidents ✓ Consideration of incorporating sustainability metrics into executive offices' compensation ✓ Improvement in external ESG ratings	✓ In the event of a business crisis caused by a disaster or other emergency, minimizing damage, maintaining business operations, and ensuring rapid recovery through prompt and appropriate responses (BCP) ✓ Fostering a culture of governance
Addressing climate change and environmental issues		✓ Environmental Conservation Promotion of Sustainability Initiatives ✓ Reducing greenhouse gas emissions through energy conservation	✓ Providing environmentally friendly products and services

Sustainability

Features our Sustainability Policy, Materiality, and initiatives

https://www.aeonfinancial.co.jp/en/activity/

Materiality1: Pursuing happiness through innovative financial services

Initiatives

Contributing to the development of local communities through financial services

《Business Growth through Financial Inclusion》



Providing motorcycle financing to help people get the means of transportation to work in the city since the establishment of the company in Malaysia

Initiatives

Enriching the lives of customers, business partners, and employees through financial education

《Financial Education and Experience Events》



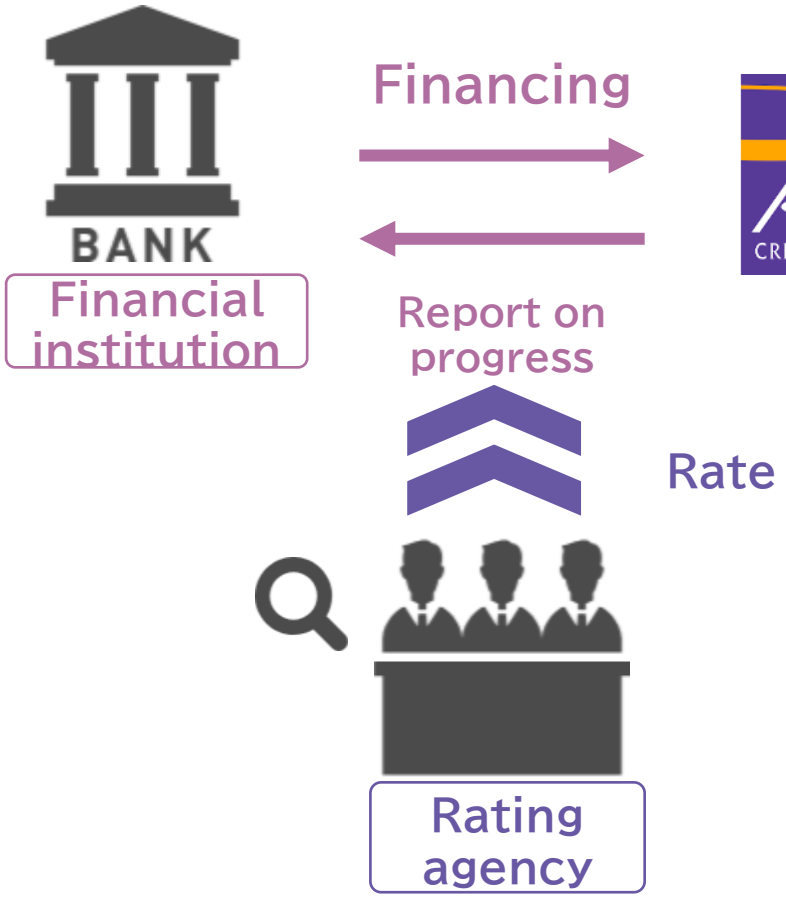
Financial education for children from preschool to university students to ensure correct and convenient use of cashless payments

Materiality1: Pursuing happiness through innovative financial services

Initiatives Managing and procuring funds in consideration of social and environmental changes

《Issuance of sustainability-linked loans overseas (Hong Kong and Malaysia)》

Hong Kong (started 2022)



<Sustainability Targets(a part)>

- Reduction of power consumption
- Reduction of use of copy paper
- Grant of Incentives to Students
- Time spent on employee training

Incentives for interest rates and other borrowing conditions to achieve established goals

Materiality2: Exerting diversity and the potential of our people

Initiatives

Promotion of Health and Productivity Management

We have established the Health and Productivity Management Declaration and are promoting health management with the aim of ensuring that employees and their families are physically and mentally healthy and that human resources who continue to grow can continue to work for a long time.

「AEON Health Management Declaration」

AEON supports the health of employees and their families.
Together with our employees, we will realize the health and happiness of the local community.

Four Action Guidelines

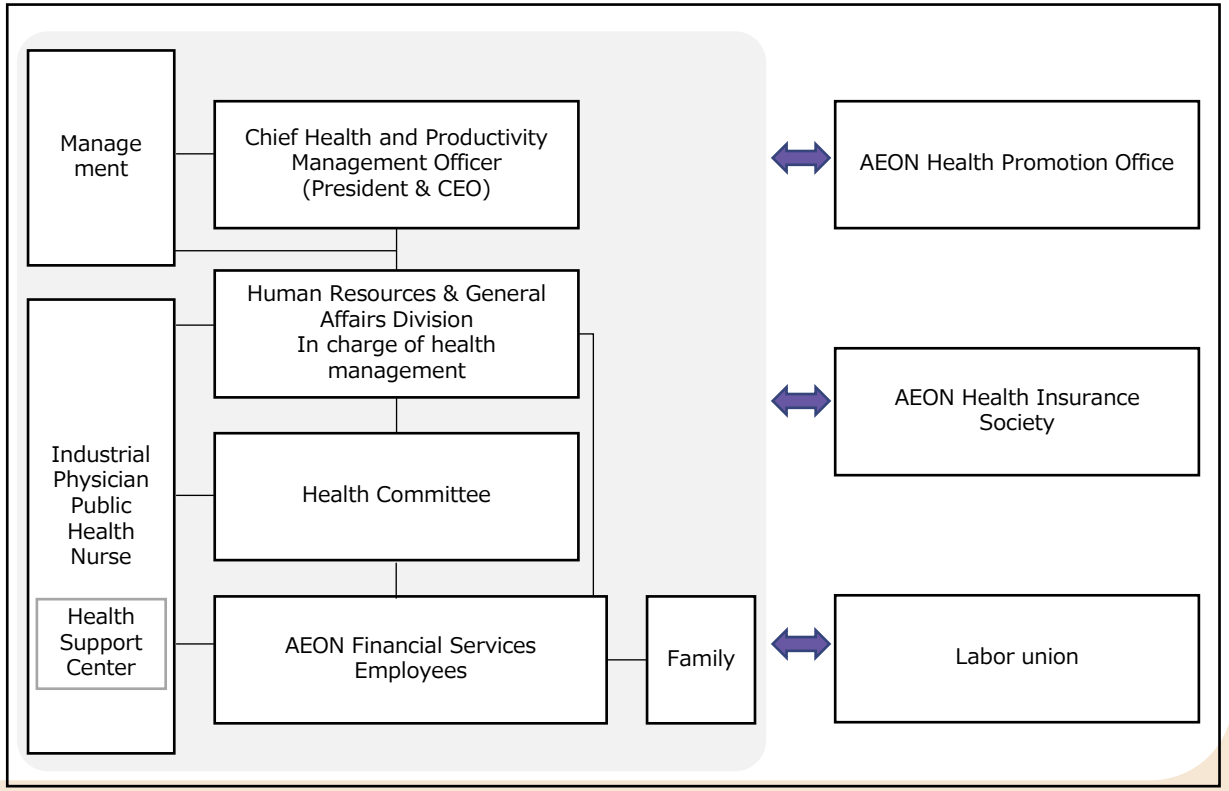
① We will strive to prevent diseases through health checkups and follow-ups based on the results of health checkups.

② We will strive to promote mental health through the four types of care (care by oneself, care by superiors, care by occupational health staff in the workplace, and care through external functions).

③ We will comply with the action guidelines of the Declaration of the Eradication of Long Working Hours and the Declaration of the Eradication of Harassment, and strive to foster a psychologically safe and secure organizational culture and a vibrant workplace.

④ Through our products and services, we contribute to the health of our customers and local communities.

Promotion System



Materiality3: Establishing organizational resilience

Initiatives

Building a governance structure that improves stakeholder trust

《 History of Corporate Governance 》

2026
・Increased number of independent directors to 5.
(one additional independent director).

2022
・Established Transaction-Judging Committee
(entirely made up of independent directors)

2021
・Assigned independent director as chairperson of the Nomination and Compensation Committee

2019
・Introduced executive officer system
・Assigned additional independent director
・Ratio of independent directors increased to one-third

2018
・Nomination and Compensation Committee established
・Formulated Corporate Governance Guidelines

2017
・Assigned additional independent director

2015
・Established Management Policy Committee
・Assigned independent directors and external corporate auditors

2014
・Established Internal Control Committee

Members (Director/ Auditors)

	Director	Auditor
Number of members	10	4
Independent director	5 (female:1)	3 (female:1)
Independent	5 (female:1)	2 (female:1)

Materiality4:Addressing climate change／ External ESG rating

Initiatives

Task Force on Climate-related Financial Disclosures(TCFD)

・Based on the TCFD framework, disclosed assessments and targets for the impact of climate change on the Group's businesses

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

■**Governance System**
The Company's sustainability enforcement system

■**Strategy**
Analyze risks and opportunities associated with climate change by scenario

■**Risk Management**
Risk management process

■**Metrics and Goals**
Main climate-related indicators and GHG emissions in the Group

External ESG evaluation and index inclusion status

・Promote ESG initiatives in Japan and overseas, aiming to enhance external evaluations and to be included in major ESG indices

2025 CONSTITUENT MSCI日本株女性活躍指数 (WIN)

FTSE Blossom Japan Sector Relative Index

S&P/JPX Carbon Efficient Index

＜Overseas ESG evaluations(examples)＞

■AEON Credit Service (Malaysia)
MSCI ESG Rating : AA

■AEON Thana Sinsap (Thailand)
MSCI ESG Rating : A

Medium-term Management Plan (Abbreviated)
FY2026~FY2030

Medium-term Management Plan (Full version)

https://www.aeonfinancial.co.jp/en/ir/strategy/medium

Basic Policies of the Medium-Term Management Plan (FY2026–FY2030)

Our Vision for 2030

A Community-based global company that brings "Finance Closer to Everyone"

Demonstrating Profitability

Maximize the strength as AEON's financial entity

Key Strategy①

Expansion of Customer base centered on AEON Pay

Key Strategy②

Strengthening Lending Services by utilizing Data

Key Strategy ③

Establishment of the "Retail x Finance x Digital" Business Model in Key Asian Countries

Transition to High-Efficiency Management

Building a foundation that enables growth investments

Key Strategy④

Domestic Cost Structure Reform

Safety and Security First

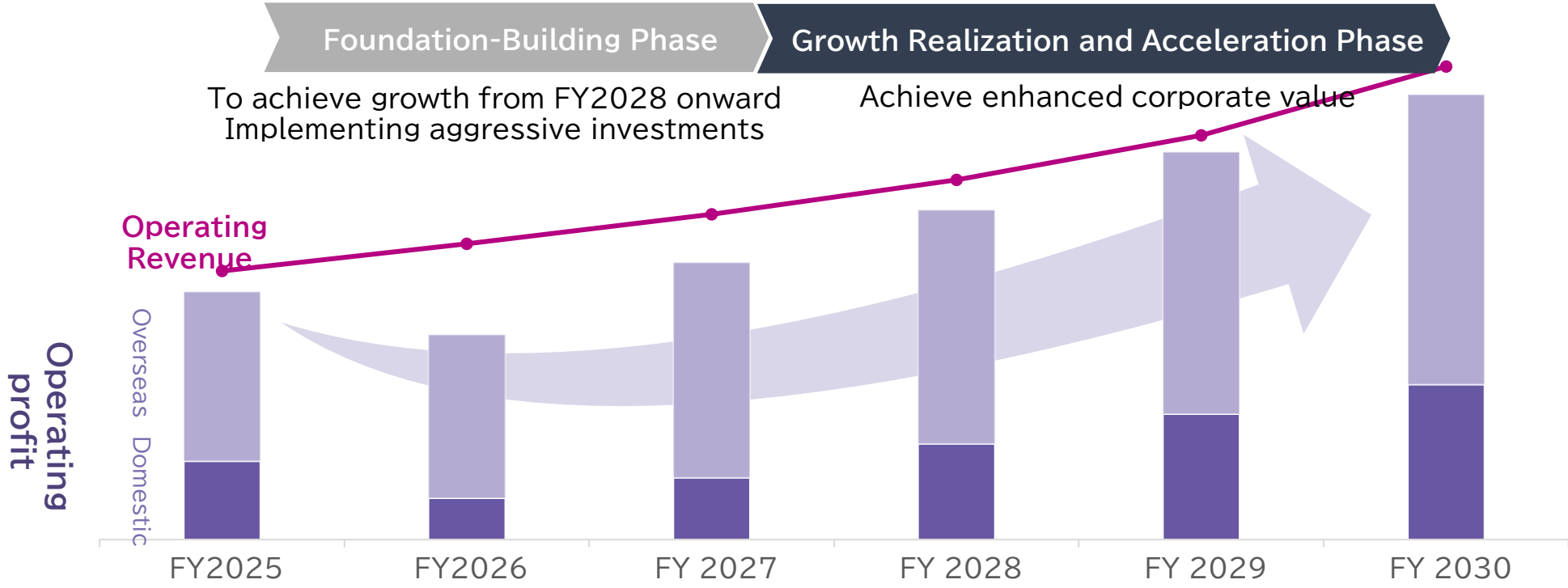
Preventing recurrence and incidents proactively

Key Strategy⑤

Realization of Robust Corporate Governance

Targets | Operating Revenue, Operating Profit, ROE

- While revenue growth with profit decline in FY 2026 because of the renovation of credit card system, aiming at record high profit in FY 2028, and Operating Profit of 100 bn in FY 2030



	FY2025	FY2026	FY 2027	FY 2028	FY 2029	FY 2030
Operating Revenue	569.3 bn yen	600.0 bn yen		665.0 bn yen		780.0 bn yen
Operating profit	60.6 bn yen	45.0 bn yen		74.0 bn yen		100.0 bn yen
ROE	4.5%	3.2%		7.1%		10.0%

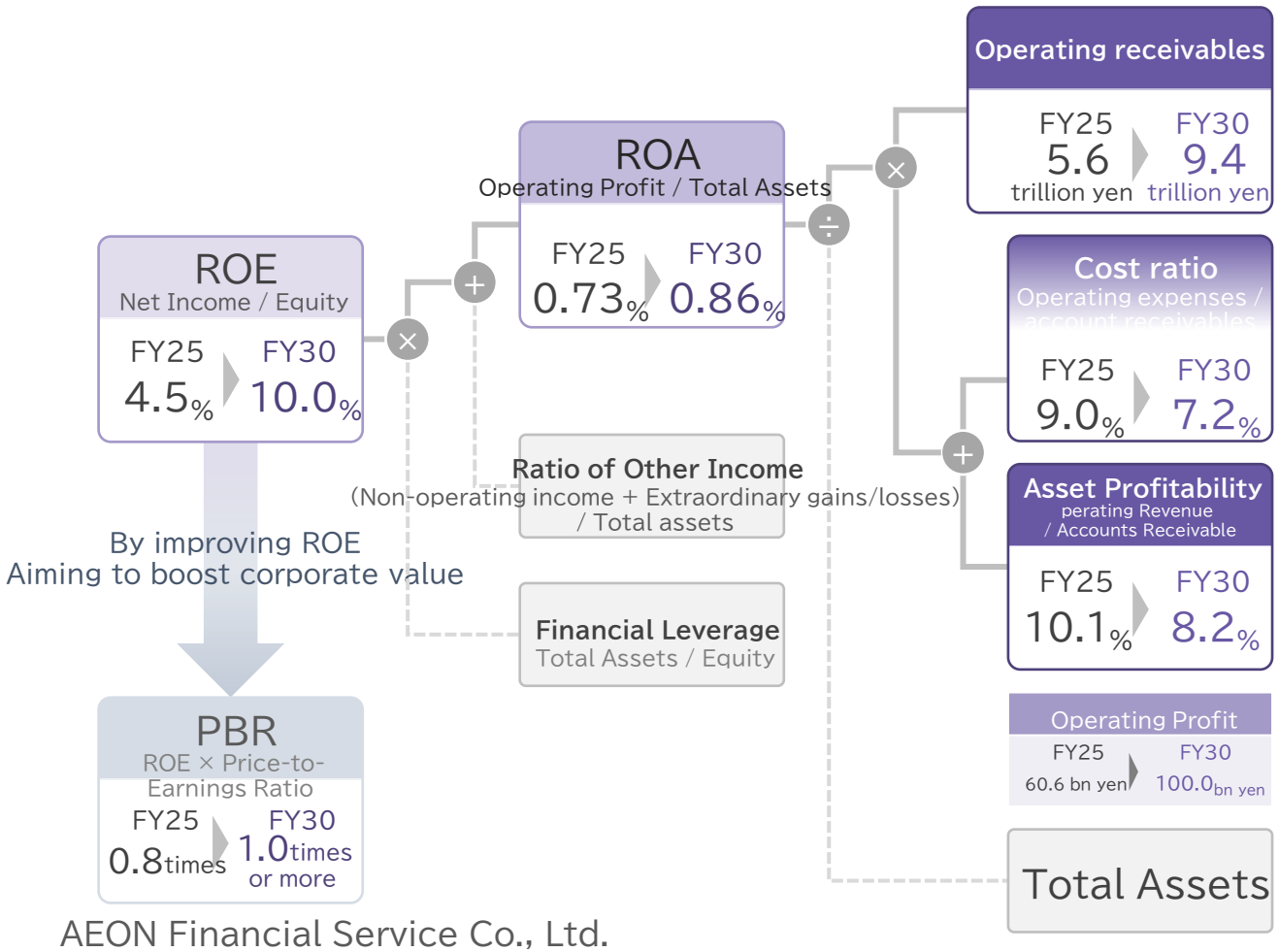
PBR 1.0x or more

Approach to Enhancing Corporate Value

Demonstrating Profitability | Transition to High-efficiency Management | No. 1 in Safety and Security

- Diversify the portfolio through new products such as digital lending, alongside the expansion of account receivables
- Aiming for a 10.0% ROE while improving efficiency

KGI Tree



KPI

FY30 Target (Difference from FY25)

Domestic

Operating receivables※ (After securitization)

Retail (High Yield)	+380.0 bn yen
Corporate	+200.0 bn yen

No. of AEON Pay Members

+48 million members

2030 Target 60 million

Cost Structure Reform

▲36 bn yen (5-year cumulative)

Bank Deposit Balances

+2.4 trillion yen

＊Additionally, we aim to expand the outstanding balance of receivables by 2.0 trillion yen through mortgage loans and other products.

Overseas

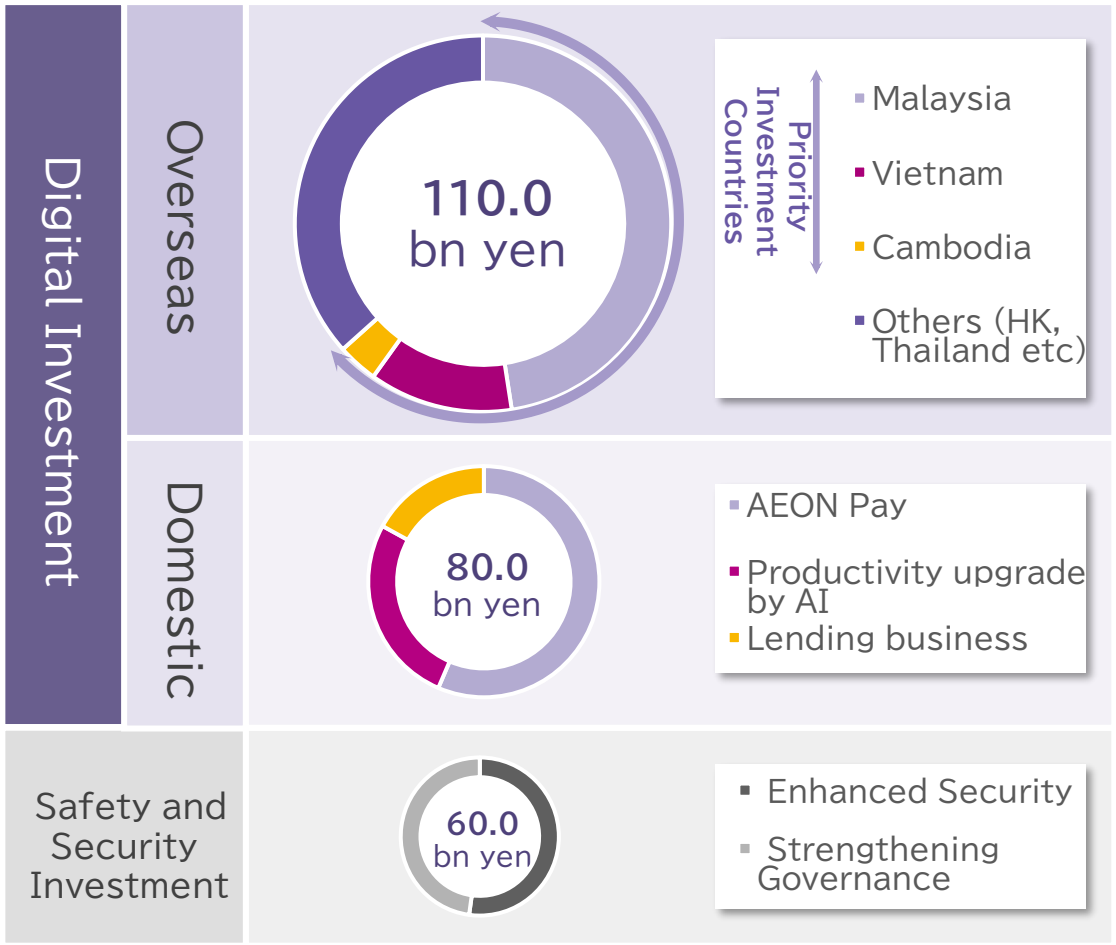
Operating receivables (Top 5 countries)

Listed 3 countries	Thailand, Malaysia, Hong Kong	+600 bn yen
Focus countries	Vietnam, Cambodia	+170 bn yen

Five-Year Investment Plan

- Through digital investments of 250.0 bn yen, advancing business model in Japan and in overseas as well as demonstrating competitive advantage

Investment Amount (5-Year Total)



Investment Policy and Objectives

✓ By establishing the foundation for retail x finance business model in each country, aiming to grow new revenue generating pillars next to three listed subsidiaries

✓ Designate **Malaysia, Vietnam** and **Cambodia** as **priority investment countries** and execute aggressive investments

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✓ Aiming for profit growth by focusing investments on **AEON** Pay, which will serve as a new domestic revenue base, and AI that enhances productivity

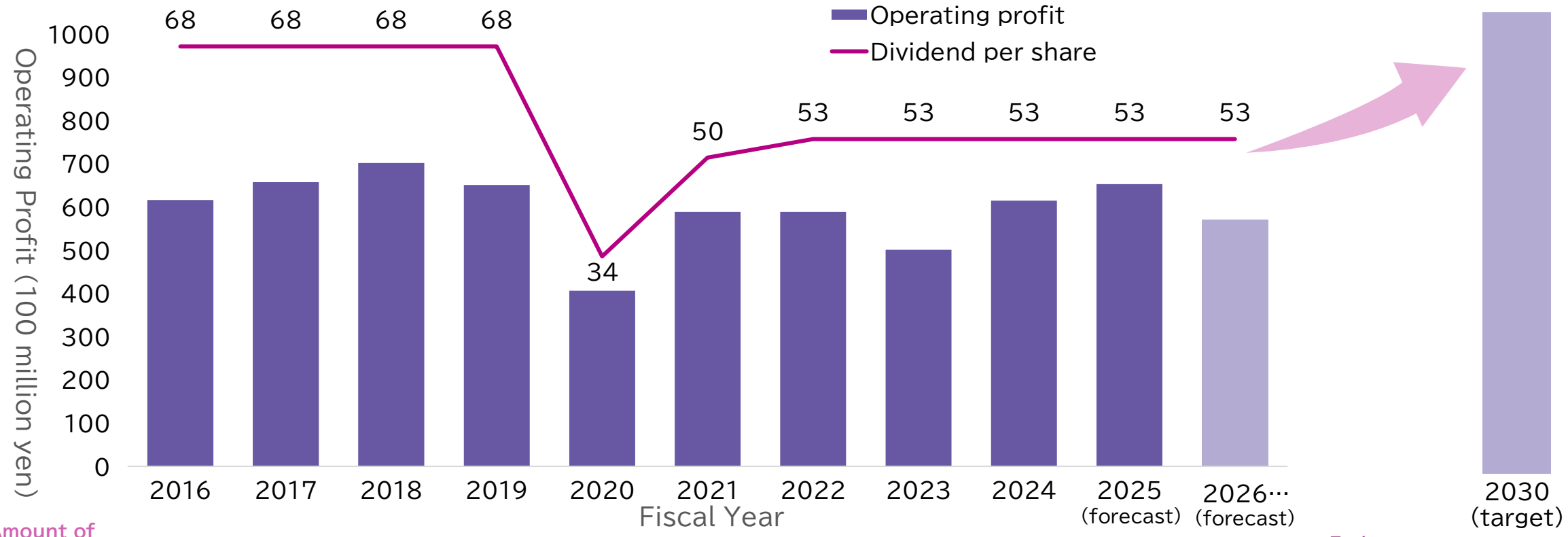
✓ Realizing migration of the financial infrastructure to the cloud to **accelerate product development,** and enable more **high-capacity data storage and utilization** securely

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✓ To strengthen the foundation for safeguarding our customers' safety and peace of mind, making investments

Shareholder Return Policy

- Aim to maintain a dividend payout ratio of 30–40% and balance investments for sustainable growth with shareholder returns
- Anticipate cumulative shareholder returns of approximately 70 bn yen over the five-year period from 2026 to 2030



Amount of Shareholder Return (5 year cumulative)

68.6 bn yen

55.4 bn yen

Approx. 70.0 bn yen

＊Please note that the return policy and dividend amounts are subject to change in the future depending on future business performance, financial conditions, investment plans, and changes in economic conditions.

FY 2026 Earnings Forecast

	FY2025 Results	FY2026 Forecast				2030 Target
Unit: bn yen unless stated						
	Consolidated	Consolidated	YoY	Domestic	Overseas	Consolidated
Operating Revenue	569.3	600.0	+30.7	355.0	245.0	780.0
Operating Profit	60.6	45.0	▲15.6	5.0	40.0	100.0
Operating Profit Margin	10.7%	7.5%	▲2.7pt	1.4%	16.3%	12.8%
Ordinary Profit	60.6	45.0	▲15.6	—	—	100.0
Net Income	21.0	15.0	▲6.0	—	—	58.0
Dividend per Share (Annual, yen)	53	53	±0	—	—	—
ROE	4.5%	3.2%	▲1.3pt	—	—	10.0%

Appendix

APPENDIX / Our History

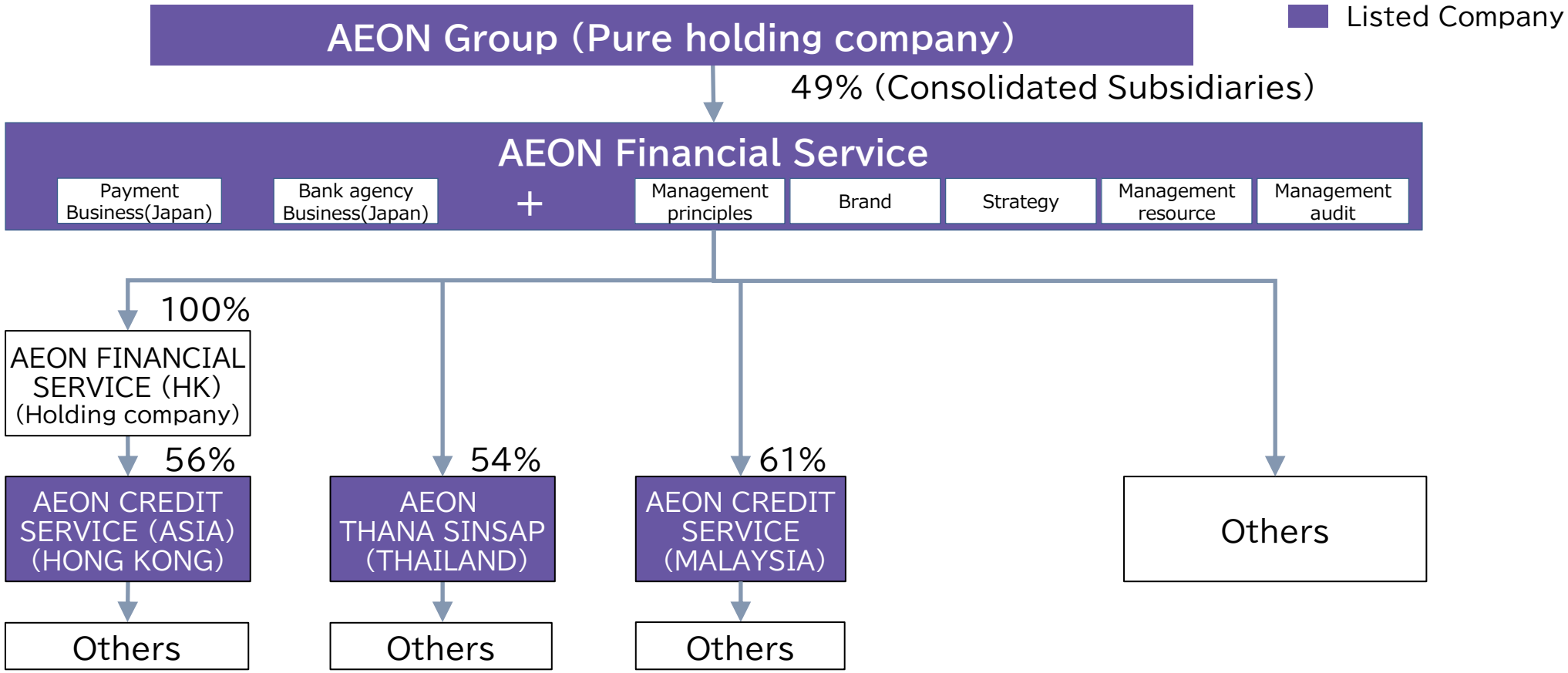
1981	Company established (as Nihon Credit Service Co., Ltd.)
1987	A branch opened in Hong Kong, marking commencement of overseas operations
1992	A subsidiary established in Thailand
1996	Listed on TSE 2nd Section / A subsidiary established in Malaysia
1998	Listed on TSE 1st Section
2003	AEON gold card issued as a first credit card company in Japan without annual membership fee
2007	AEON Bank established
2009	Commenced issuing “AEON Card Select” that combines cash card and WAON
2013	Management integrated with AEON Bank to be a bank holding company Company name changed to AEON Financial Service Co., Ltd.
2016	AEON Card official app ”AEON Wallet” service started
2019	AEON Financial Service Co., Ltd. changed from a bank holding company to a business company
2021	AEON’s official app ”iAEON” equipped with code payment function ”AEON Pay”
2023	AEON Credit Service Co., Ltd. Merges into AEON Financial Service Co., Ltd. FeliCa Pocket Marketing Inc. becomes a consolidated subsidiary
2024	Opening Malaysia’s First Digital Bank Using Islamic Financial Method
2025	Acquisition of equity stake in PTF, a finance company operating in Vietnam Established a joint venture (AEON 360 Sdn. Bhd.) between our local Malaysian subsidiary and AEON Malaysia.

APPENDIX / Financial Highlights

		‘15	‘16	‘17	‘18	‘19	‘20	‘21	‘22	‘23	‘24	’25
Operating revenue (*1)	Bn JPY	359.6	375.1	407.9	439.0	457.2	487.3	470.6	451.7	485.6	533.2	569.3
Operating profit (*1)	Bn JPY	59.3	61.6	65.7	70.1	65.0	40.6	58.8	58.8	50.0	61.4	60.6
Operating profit ratio (*1)	%	16.5	16.4	16.1	16.0	14.2	8.3	12.5	13.0	10.3	11.5	10.7
Profit attributable to owners of parent	Bn JPY	35.7	39.4	38.6	39.4	34.1	17.6	30.2	30.6	20.8	15.6	21.0
Return on equity	%	12.7	12.4	10.8	10.5	8.8	4.5	7.3	7.1	4.7	3.4	4.5
Return on assets	%	1.6	1.6	1.5	1.4	1.2	0.7	1.0	1.0	0.8	0.9	0.8
Equity ratio (*2)	%	7.4	8.5	8.3	7.3	6.8	6.6	6.8	6.5	6.6	5.9	5.7
Book value per share	JPY	1,465	1,604	1,714	1,764	1,823	1,860	1,965	2,014	2,123	2,136	2,208
Earnings per share	JPY	180.00	183.96	170.02	173.20	154.15	81.97	139.97	142.12	96.80	72.47	97.70
Dividend per share	JPY	66	68	68	68	68	34	50	53	53	53	53
Payout ratio	%	36.6	35.8	37.9	37.2	43.0	41.5	35.7	37.3	54.7	73.1	54.2
Number of shares outstanding	Mil JPY	208	225	225	225	216	216	216	216	216	216	216
Fiscal year end Stock price	JPY	2,656	2,097	2,445	2,253	1,568	1,364	1,188	1,293	1,307	1,209	1,765

※Ordinary profit ratio for FY2013 to FY2018.
"Accounting Standard for Revenue Recognition" etc. have been applied from the beginning of FY2022

APPENDIX / Group Management Structure



Advantages of affiliation with AEON Group

・Exclusive utilization of AEON Group's platform expanding both domestically and globally.
・Generating synergies by deep understanding the financial industry and the retail industry through personnel exchange.

Advantages of listed overseas subsidiaries

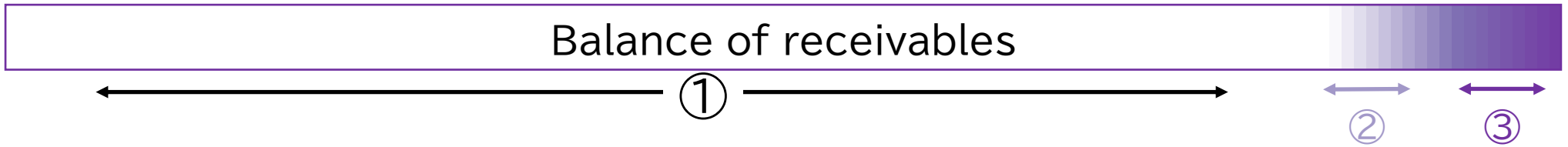
・Listed on a stock exchange in a local market leads to superiority in sales, recruitment and funding.

APPENDIX / IFRS9 Definition of allowance for bad debts

- Overseas countries are applying the IFRS 9 loan loss provisioning standards. Provisions are required for 12 months of credit risk on performing receivables. A rapid increase in receivables balances leads to increased bad debt expenses, so fluctuations in balances are also an important factor in the amount of provisions.

$$\text{ECL} = \text{PD} \times \text{LGD} \times \text{EAD}$$

ECL	PD	LGD	EAD
Expected credit loss	Probability of default	Loss given default	Exposure at default



①Stage1 (D0)	Normal receivables	Reserves for **12 months** based on probabilities calculated from past performance
②Stage2 (D1･D2)	Initial delinquent loan	Reserve for the **remaining receivables** based on the probability calculated from past performance
③Stage3 (Over D3)	Delinquent loan	Reserve for the **remaining receivables** based on the probability calculated from past performance

Provision rates increase depending on delinquency levels.

NPL (Non-Performing Loan)

NPL ratio: The ratio of delinquent receivables to the total receivable balance. An improvement in the NPL ratio indicates improved receivable quality.

Statements contained in this report with respect to the Company's management strategies, business policies and results forecasts are forward-looking statements about the future performance of the Company, which are based on the assumptions and beliefs in light of the information currently available. These forward-looking statements involve various uncertain factors including known and unknown risks such as economic trends, industry competition, market demand, exchange rates, tax and other systems that may cause the Company's actual results, performance or achievements to differ materially from the expectations expressed herein.

ÆON Financial Service