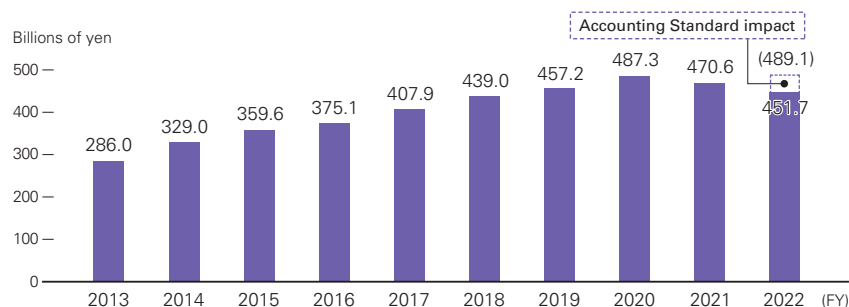


Financial Highlights

Summary of Financial Results for Fiscal 2022

- Consolidated operating revenue reached ¥451.767 billion. This result reflects higher card shopping transaction volumes in Japan and overseas and an increase in the financial receivables balance due to the recovery of economic activities after the impact of the COVID-19 pandemic, and the expansion of transaction volumes through promotional activities in response to changes in consumer behavior. Other factors included increases in the balances of personal loans and installment finance for individual products in our international business. Revenue in Japan was reduced by ¥37.401 billion due to the application of the Accounting Standard for Revenue Recognition. Without this factor, the result would have been an increase over the figure for the previous fiscal year.
- Consolidated operating profit increased by ¥7 billion year on year to ¥58.859 billion. This result was attributable in part to delayed progress toward the accumulation of operating receivables in Japan in the second half of the year.
- Net income attributable to owners of parent was 1.5% higher year on year at ¥30.677 billion.

Consolidated Operating Revenue

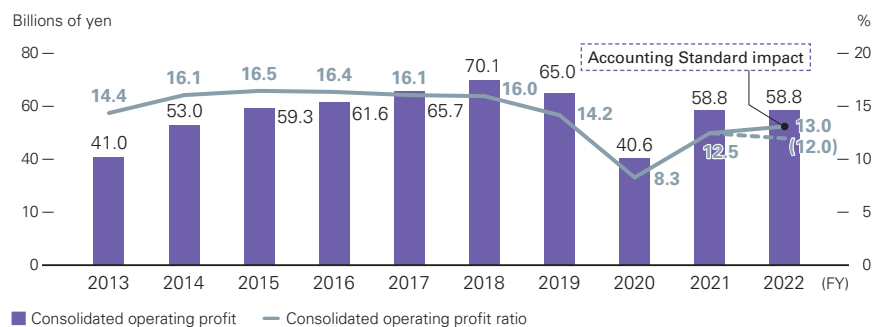


Consolidated Operating Revenue

Fiscal 2022	¥451.7 billion
	(¥489.1 billion)
YoY	-0.5%
	(+3.9%)

*Figures in parentheses represent results before the application of the Accounting Standard for Revenue Recognition.

Consolidated Operating Profit and Consolidated Operating Profit Ratio



Consolidated Operating Profit

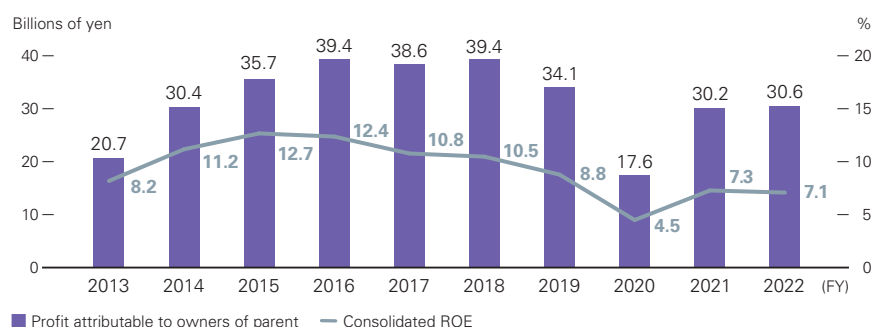
Fiscal 2022	¥58.8 billion
YoY	+0.0%

Consolidated Operating Margin

Fiscal 2022	13.0%
	(12.0%)
YoY	+0.5 pt
	(-0.5 pt)

*Figures in parentheses represent results before the application of the Accounting Standard for Revenue Recognition.

Profit Attributable to Owners of Parent and Consolidated ROE



Profit Attributable to Owners of Parent

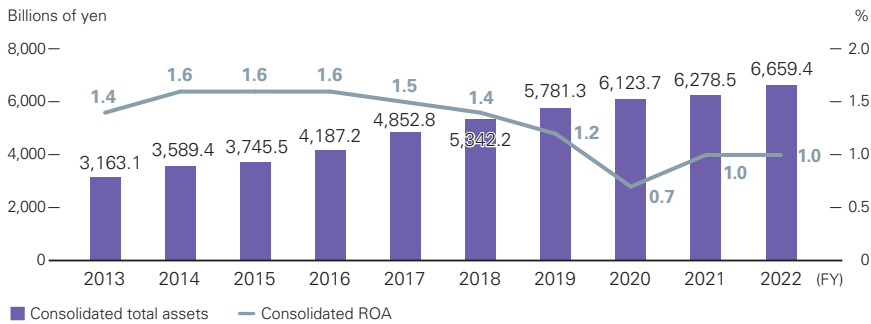
Fiscal 2022	¥30.6 billion
YoY	+1.5%

Consolidated ROE

Fiscal 2022	7.1%
YoY	-0.2 pt

Note: Figures for fiscal 2019 are for the 11-month period from April 1, 2019 to February 29, 2020 due to a change in the accounting period.

Consolidated Total Assets and Consolidated ROA



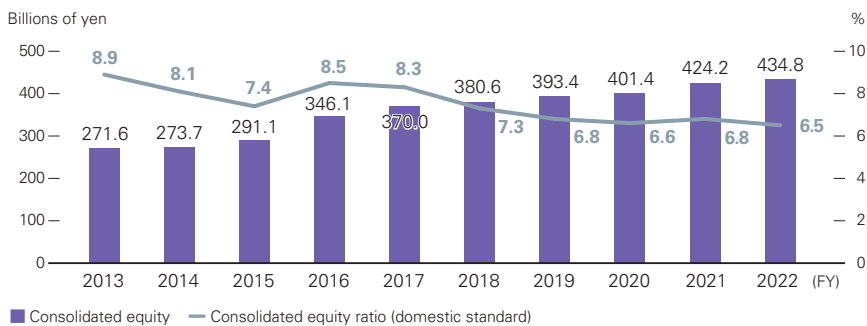
Consolidated Total Assets

Fiscal 2022 **¥6,659.4 billion**
YoY **+¥380.9 billion**

Consolidated ROA

Fiscal 2022 **1.0 %**
YoY **+0.0 pt**

Consolidated Equity and Consolidated Equity Ratio (Domestic Standard)



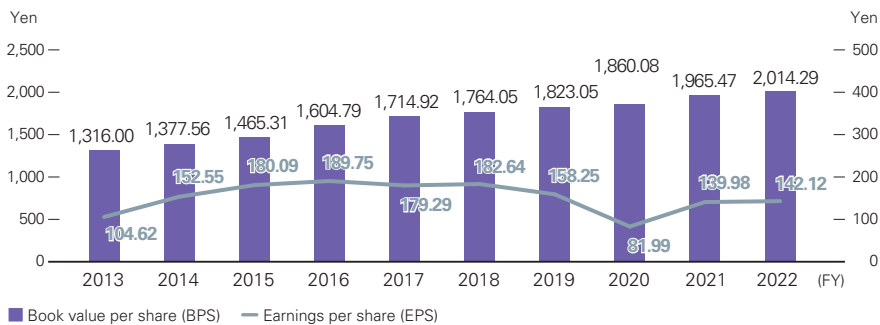
Consolidated Equity

Fiscal 2022 **¥434.8 billion**
YoY **+¥10.6 billion**

Consolidated Equity Ratio (Domestic Standard)

Fiscal 2022 **6.5 %**
YoY **-0.3 pt**

Book Value per Share (BPS) and Earnings per Share (EPS)



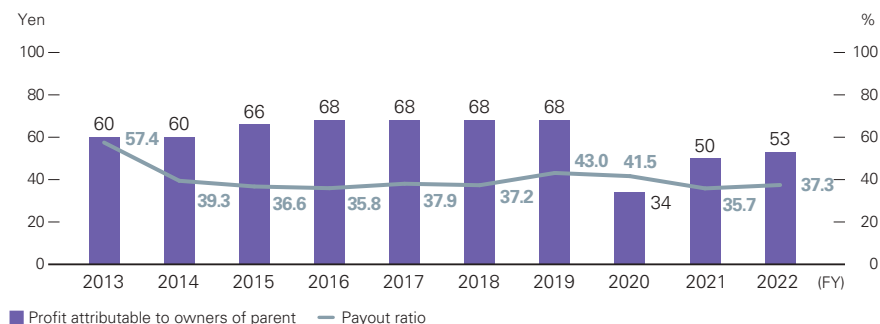
Book Value per Share (BPS)

Fiscal 2022 **¥2,014.29**
YoY **+¥48.82**

Earnings per Share (EPS)

Fiscal 2022 **¥142.12**
YoY **+¥2.15**

Dividends per Share and Payout Ratio



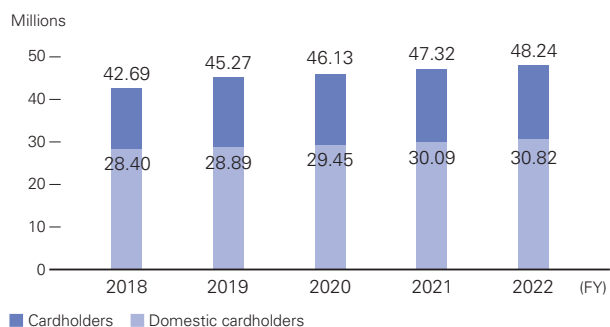
Dividends per Share

Fiscal 2022 **¥53**
Payout Ratio **37.3 %**

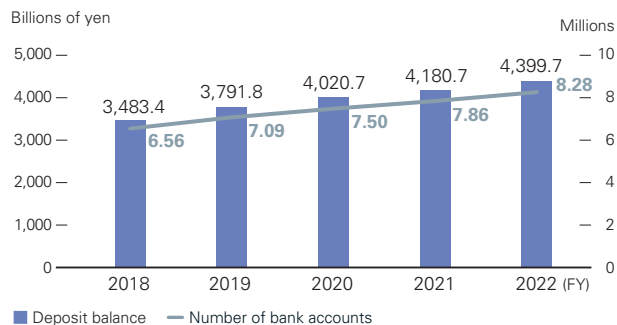
Notes: 1. The fiscal 2016 dividend per share includes 2 yen as a commemorative dividend for the 20th anniversary of the Company's listing.
2. The fiscal 2021 dividend per share includes 4 yen as a commemorative dividend for the 40th anniversary of the Company's founding.

Non-financial Highlights

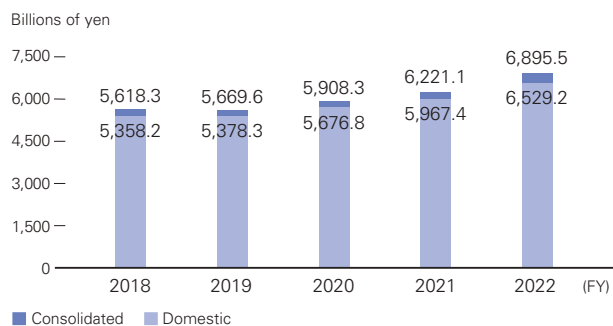
Cardholders



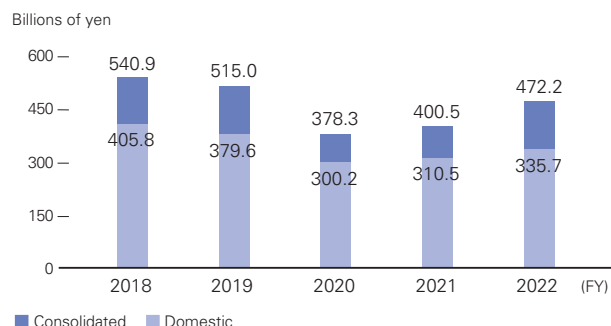
AEON Bank Deposit Balance and Number of Bank Accounts



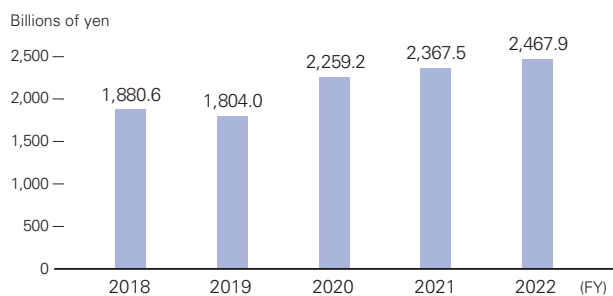
Card Shopping Transaction Volume



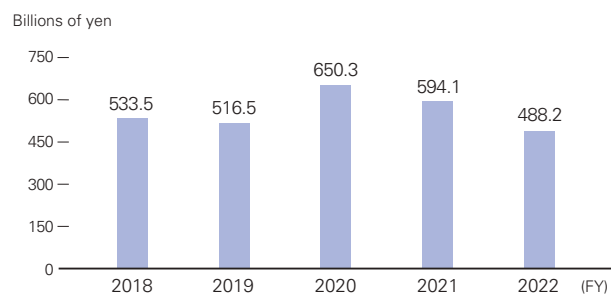
Card Cashing Transaction Volume



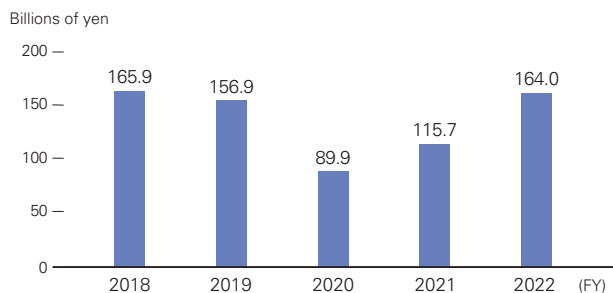
Total E-money Contracts Transaction Volume (Domestic)



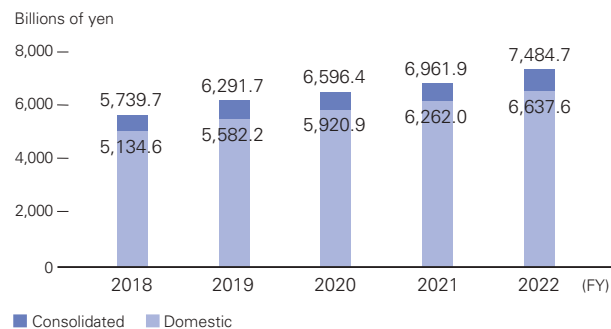
Housing Loan Transaction Volume (Domestic)



Unsecured Loan Transaction Volume (Global)



Finance Receivables (before Securitization)



Note: Figures for fiscal 2019 are for the 11-month period from April 1, 2019 to February 29, 2020 due to a change in the accounting period.

The Company engages in responsible dialogue with shareholders and investors, mainly through top management and the Investor Relations Department. We will continue to improve corporate value through responsible dialogue.

Status of Investor Relations Activities





Investor Relations Activities	Details	Explanation by Representative Directors	Actions (Fiscal 2022)
Preparation and publication of a disclosure policy	We prepare a disclosure policy and publicize basic policies, standards of information disclosure, methods of information disclosure, and announcements of IR moratorium periods.	—	—
Company briefings for individual investors	We hold company briefing sessions for individual investors to showcase the Company and explain its performance. We have also established a page for individual investors on our website with information for general readers, including details of our progress and outlines of our business activities.	—	Online event: 2
Periodic briefings for analysts and institutional investors	Top management holds results briefings each time financial results are announced. They provide explanation on the business environment, financial results, earnings forecasts, management strategy progress, etc.	Yes	Dialogue counterparties: 270
Availability of investor relations materials on the corporate website	We publish various materials, including audio versions of results briefings, and questions and answers during briefings. We also publish monthly information. The English version of the IR website contains various financial results and the integrated report in English.	—	Earnings release reports: Quarterly Other investor relations materials: As needed
Establishment of a department and a person in charge of investor relations	In June 2023 we established a new Investor Relations Department.	—	—
Others	The President and CEO, the Directors and the Investor Relations Department conduct meetings with individual domestic and overseas investors and securities analysts. In fiscal 2021, we began to arrange small meetings as opportunities for dialogue between outside directors and institutional investors.	Yes	Meetings: 115

External Recognition of AEON Financial Service (As of September 30, 2023)

IR Websites	Awards and Accreditations
Nikko Investor Relations Co., Ltd.	 2022 All Japanese Listed Companies' Website Ranking Overall Ranking: Best Sites
Gomez Consulting Co., Ltd., a subsidiary of Morningstar Japan K.K.	 Gomez IR Site Ranking 2022 Excellent Company: Silver Award

Investor Relations Information Disclosure

Materials	Japanese	English
Announcement of results	●	●
Timely disclosure materials	●	●
Materials for individual investors	●	●
Shareholder and stock information	●	●
Performance and financial graphs and data	●	—

Indices	Awards and Accreditations
FTSE Blossom Japan Sector Relative Index	 Included for 2 consecutive years
SOMPO Sustainability Index	 Included for 12 consecutive years
JPX-Nikkei Index 400	 Included for 10 consecutive years
S&P/JPX Carbon Efficient Index	 Selected as a constituent for the first time

Credit Rating Information (As of September 30, 2023)

Rating Agency	Long Term	Short Term
Japan Credit Rating Agency, Ltd. (JCR)	A (Stable)	J-1
Rating and Investment Information, Inc. (R&I)	A- (Stable)	a-1

11-year Summary

Former AEON Credit Service Co., Ltd. (current AEON Financial Service Co., Ltd.)	2012* ¹
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Consolidated cardholders (millions)	
Total	31.85
Domestic	22.24

For the year (millions of yen)	
Operating revenues	205,972
Operating expenses	172,892
Operating income	33,080
Ordinary income	33,367
Profit attributable to owners of parent	13,616

Per share information (yen)	
Book value per share	1,235.28
Earnings per share	88.12
Diluted earnings per share	78.25

At year-end (millions of yen)	
Operating loans	421,196
Operating loans including securitized receivables	518,908
Accounts receivable—installment	507,315
Accounts receivable—installment including securitized receivables	740,027
Total assets	2,534,208
Net assets	258,872

Key indicators (%)	
Operating income ratio	16.1
Equity ratio (domestic standard)	9.1
Return on assets	1.9
Return on equity	7.0

Dividends	
Dividend per share (yen)	50
Payout ratio (%)	56.9

AEON Financial Service Co., Ltd.* ²	2013* ³	2014	2015
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Consolidated cardholders (millions)			
Total	33.90	35.67	37.22
Domestic	23.45	24.64	25.88

For the year (millions of yen)			
Operating revenue* ⁵	286,070	329,046	359,651
Operating expenses* ⁶	244,978	275,965	300,270
Operating profit* ⁷	41,092	53,080	59,380
Profit attributable to owners of parent	20,743	30,491	35,785

Per share information (yen)			
Book value per share	1,316.00	1,377.56	1,465.31
Earnings per share	104.62	152.55	180.09
Diluted earnings per share	99.49	152.04	180.00

At year-end (millions of yen)			
Operating loans	1,276,741	1,474,236	1,673,997
Operating loans including securitized receivables	1,531,376	1,873,598	2,364,444
Accounts receivable—installment	957,403	1,038,221	1,022,387
Accounts receivable—installment including securitized receivables	1,085,969	1,185,191	1,314,385
Total assets	3,163,117	3,589,495	3,745,546
Net assets	307,291	324,948	340,886

Key indicators (%)			
Operating profit ratio* ⁸	14.4	16.1	16.5
Equity ratio (domestic standard)	8.9	8.1	7.4
Return on assets	1.4	1.6	1.6
Return on equity	8.2	11.2	12.7

Dividends			
Dividends per share (yen)	60	60	66
Payout ratio (%)	57.4	39.3	36.6

Notes:

- The consolidated amounts for the fiscal year ended March 31, 2013 cover a period of 13 months and 11 days from February 21, 2012 to March 31, 2013.
- The consolidated amounts from the fiscal year ended March 31, 2014 onward include the results of AEON Bank, Ltd. and its one subsidiary, as AEON Bank, Ltd. became a wholly-owned subsidiary of the Company through a share exchange as of January 1, 2013.
- On April 1, 2013, AEON Financial Service Co., Ltd. ("the Company") became a bank holding company. Accordingly, the Company has prepared the consolidated financial statements from the fiscal year ended March 31, 2014 onward in accordance with the Ordinance for Enforcement of the Banking Act (Ordinance of the Ministry of Finance No. 10 of 1982), which prescribes classifications of assets and liabilities and revenues and expenses for banking institutions.
- Figures for fiscal 2019 are for the 11-month period from April 1, 2019 to February 29, 2020 due to a change in the accounting period.
- Ordinary revenue is used from fiscal 2013 to fiscal 2018. The Accounting Standard for Revenue Recognition has been adopted since fiscal 2022, and the reclassified figures before the adoption of the standard are shown as reference values in ().
- Ordinary expenses is used from fiscal 2013 to fiscal 2018. The Accounting Standard for Revenue Recognition has been adopted since fiscal 2022, and the reclassified figures before the adoption of the standard are shown as reference values in ().
- Ordinary profit is used from fiscal 2013 to fiscal 2018.
- Ordinary profit ratio is used from fiscal 2013 to fiscal 2018.

(FY)

AEON Financial Service Co., Ltd.*2	2016	2017	2018	2019*4	2020	2021	2022
Consolidated cardholders (millions)							
Total	38.94	40.64	42.69	45.27	46.13	47.32	48.24
Domestic	26.92	27.75	28.40	28.89	29.45	30.09	30.82
For the year (millions of yen)							
Operating revenue*5	375,166	407,970	439,001	457,280	487,309	470,657	451,767 (489,168)
Operating expenses*6	313,559	342,223	368,830	392,209	446,657	411,804	392,907 (430,308)
Operating profit*7	61,606	65,746	70,171	65,070	40,651	58,852	58,859
Profit attributable to owners of parent	39,454	38,677	39,408	34,149	17,693	30,212	30,677
Per share information (yen)							
Book value per share	1,604.79	1,714.92	1,764.05	1,823.05	1,860.08	1,965.47	2,014.29
Earnings per share	189.75	179.29	182.64	158.25	81.99	139.98	142.13
Diluted earnings per share	183.96	170.02	173.20	154.15	81.97	139.97	142.12
At year-end (millions of yen)							
Operating loans	1,864,904	2,271,666	2,429,740	2,535,358	2,781,296	2,882,615	3,006,038
Operating loans including securitized receivables	2,757,434	3,326,572	3,757,628	4,153,294	4,507,680	4,824,899	5,159,479
Accounts receivable—installment	1,182,193	1,294,632	1,453,160	1,543,135	1,521,149	1,566,284	1,769,588
Accounts receivable—installment including securitized receivables	1,523,981	1,779,143	1,970,668	2,125,629	2,076,439	2,124,494	2,313,359
Total assets	4,187,263	4,852,844	5,342,228	5,781,370	6,123,721	6,278,586	6,659,468
Net assets	401,170	437,782	448,705	459,075	474,667	509,055	541,133
Key indicators (%)							
Operating profit ratio*8	16.4	16.1	16.0	14.2	8.3	12.5	13.0
Equity ratio (domestic standard)	8.5	8.3	7.3	6.8	6.6	6.8	6.5
Return on assets	1.6	1.5	1.4	1.2	0.7	1.0	1.0
Return on equity	12.4	10.8	10.5	8.8	4.5	7.3	7.1
Dividends							
Dividends per share (yen)	68	68	68	68	34	50	53
Payout ratio (%)	35.8	37.9	37.2	43.0	41.5	35.7	37.3

Consolidated Financial Statements

The Company's consolidated financial statements (Consolidated Balance Sheet, Consolidated Statement of Income, Consolidated Statement of Comprehensive Income, Statement of Changes in Consolidated Shareholders' Equity, and Consolidated Statement of Cash Flows) are certified by Deloitte Touche Tohmatsu LLC in accordance with Article 396, Paragraph 1 of the Companies Act and Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act.

Consolidated Balance Sheet

(Millions of yen)

	As of February 28, 2022	As of February 28, 2023
Assets		
Current assets		
Cash and deposits	738,782	842,615
Call loans	8,864	10,373
Accounts receivable - installment	1,566,284	1,769,588
Lease receivables and investments in leases	12,585	11,951
Operating loans	772,604	845,262
Loans and bills discounted for banking business	2,110,010	2,160,775
Securities for banking business	536,221	460,545
Securities for insurance business	49,397	18,134
Monetary claims bought	27,028	22,534
Money held in trust	111,015	123,894
Other	170,924	200,590
Allowance for doubtful accounts	(124,549)	(127,445)
Total current assets	5,979,170	6,338,823
Non-current assets		
Property, plant and equipment		
Buildings, net	8,648	9,555
Tools, furniture and fixtures, net	25,331	21,980
Construction in progress	109	222
Other, net	230	167
Total property, plant and equipment	34,320	31,925
Intangible assets		
Goodwill	14,924	13,191
Software	107,732	113,906
Other	4,344	3,942
Total intangible assets	127,001	131,040
Investments and other assets		
Investment securities	12,989	17,959
Deferred tax assets	39,021	37,544
Guarantee deposits	50,438	50,741
Other	34,928	50,763
Total investments and other assets	137,377	157,008
Total non-current assets	298,699	319,974
Deferred assets		
Bond issuance costs	716	670
Total deferred assets	716	670
Total assets	6,278,586	6,659,468

	As of February 28, 2022	As of February 28, 2023
Liabilities		
Current liabilities		
Accounts payable—trade	225,236	255,662
Deposits for banking business	4,178,544	4,397,953
Short-term borrowings	204,074	221,934
Current portion of long-term borrowings	90,214	117,858
Current portion of bonds payable	63,410	85,237
Commercial papers	85,000	75,000
Provision for bonuses	4,086	4,365
Provision for point card certificates	7,129	798
Other provisions	200	190
Other	194,349	185,509
Total current liabilities	5,052,244	5,344,510
Non-current liabilities		
Reserve for insurance policy liabilities	64,367	54,338
Bonds payable	277,250	264,826
Long-term borrowings	335,933	417,238
Retirement benefit liability	2,271	2,151
Provision for loss on interest repayment	6,476	4,822
Other provisions	460	232
Deferred tax liabilities	1,273	1,286
Other	29,252	28,928
Total non-current liabilities	717,286	773,824
Total liabilities	5,769,530	6,118,335
Net assets		
Shareholders' equity		
Share capital	45,698	45,698
Capital surplus	119,990	120,270
Retained earnings	258,525	278,172
Treasury shares	(442)	(390)
Total shareholders' equity	423,771	443,750
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(2,549)	(27,661)
Deferred gains or losses on hedges	(1,628)	120
Foreign currency translation adjustment	4,852	18,738
Remeasurements of defined benefit plans	(222)	(147)
Total accumulated other comprehensive income	450	(8,950)
Share acquisition rights	33	13
Non-controlling interests	84,799	106,319
Total net assets	509,055	541,133
Total liabilities and net assets	6,278,586	6,659,468

Consolidated Statement of Income

(Millions of yen)

	Fiscal year ended February 28, 2022	Fiscal year ended February 28, 2023
Operating revenue		
Revenue from credit card business	131,779	112,416
Revenue from installment sales finance business	42,662	48,450
Financing revenue	128,421	137,960
Recoveries of written off receivables	11,920	16,116
Financial revenue		
Interest on loans and discounts from banking business	22,878	24,371
Interest and dividends on securities from banking business	4,866	3,162
Interest on call loans	29	204
Interest income	773	875
Other financial revenue	5,135	5,789
Total financial revenue	33,684	34,403
Insurance revenue		
Reversal of policy reserve	22,271	10,029
Other insurance revenue	6,918	3,175
Total insurance revenue	29,189	13,205
Fees and commissions	60,991	62,178
Other	32,007	27,036
Total operating revenue	470,657	451,767
Operating expenses		
Financial expenses		
Interest expenses	16,596	18,953
Interest on deposits from banking business	1,864	2,397
Other financial expenses	2,972	2,210
Total financial expenses	21,433	23,562
Insurance expenses		
Insurance claims and other	28,045	11,191
Other insurance expenses	146	1,737
Total insurance expenses	28,192	12,928
Fees and commissions payments	11,462	11,345
Selling, general and administrative expenses	347,766	342,034
Other	2,949	3,035
Total operating expenses	411,804	392,907
Operating profit	58,852	58,859
Non-operating income		
Dividend income	202	108
Gain on investments in investment partnerships	361	309
Foreign exchange gains	—	1,245
Subsidy income	493	117
Compensation income	—	734
Other	183	185
Total non-operating income	1,240	2,700
Non-operating expenses		
Share of loss of entities accounted for using equity method	26	—
Loss on valuation of investment securities	54	9
Foreign exchange losses	46	—
Loss on sale of receivables	10	—
Miscellaneous losses	10	3
Total non-operating expenses	149	13
Ordinary profit	59,944	61,547
Extraordinary income		
Gain on sale of non-current assets	21	10
Gain on sale of investment securities	436	—
Gain on termination of retirement benefit plan	239	—
Subsidies for employment adjustment	8	—
Gain on reversal of share acquisition rights	—	3
Total extraordinary income	705	14
Extraordinary losses		
Loss on disposal of non-current assets	574	478
Impairment losses	202	777
Loss on liquidation of subsidiaries	53	149
Management integration expenses	—	84
System migration related expenses	—	245
Infectious disease related to cost	48	24
Other	25	1
Total extraordinary losses	903	1,760
Profit before income taxes	59,745	59,801
Income taxes—current	13,068	12,931
Income taxes—deferred	5,630	3,246
Total income taxes	18,698	16,177
Profit	41,047	43,623
Profit attributable to non-controlling interests	10,834	12,945
Profit attributable to owners of parent	30,212	30,677

Consolidated Statement of Comprehensive Income

(Millions of yen)

	Fiscal year ended February 28, 2022	Fiscal year ended February 28, 2023
Profit	41,047	43,623
Other comprehensive income		
Valuation difference on available-for-sale securities	(5,757)	(24,837)
Deferred gains or losses on hedges	3,946	3,108
Foreign currency translation adjustment	8,226	24,041
Remeasurements of defined benefit plans, net of tax	130	75
Total other comprehensive income	6,545	2,387
Comprehensive income	47,593	46,011
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	31,969	21,277
Comprehensive income attributable to non-controlling interests	15,623	24,734

Consolidated Financial Statements

Consolidated Statement of Changes in Equity

Year ended February 28, 2022 (March 1, 2021 to February 28, 2022)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	45,698	120,145	237,385	(460)	402,768
Changes during period					
Dividends of surplus			(9,064)		(9,064)
Profit attributable to owners of parent			30,212		30,212
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares			(7)	18	10
Change in ownership interest of parent due to transactions with non-controlling interests		(155)			(155)
Net changes in items other than shareholders' equity					
Total changes during period	—	(155)	21,140	17	21,003
Balance at end of period	45,698	119,990	258,525	(442)	423,771

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	3,283	(3,902)	(334)	(352)	(1,306)	43	73,162	474,667
Changes during period								
Dividends of surplus								(9,064)
Profit attributable to owners of parent								30,212
Purchase of treasury shares								(0)
Disposal of treasury shares								10
Change in ownership interest of parent due to transactions with non-controlling interests							155	—
Net changes in items other than shareholders' equity	(5,833)	2,273	5,186	130	1,756	(10)	11,482	13,228
Total changes during period	(5,833)	2,273	5,186	130	1,756	(10)	11,637	34,387
Balance at end of period	(2,549)	(1,628)	4,852	(222)	450	33	84,799	509,055

Year ended February 28, 2023 (March 1, 2022 to February 28, 2023)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	45,698	119,990	258,525	(442)	423,771
Changes during period					
Dividends of surplus			(11,007)		(11,007)
Profit attributable to owners of parent			30,677		30,677
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares			(22)	52	29
Change in ownership interest of parent due to transactions with non-controlling interests		280			280
Net changes in items other than shareholders' equity					
Total changes during period	—	280	19,646	52	19,979
Balance at end of period	45,698	120,270	278,172	(390)	443,750

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	(2,549)	(1,628)	4,852	(222)	450	33	84,799	509,055
Changes during period								
Dividends of surplus								(11,007)
Profit attributable to owners of parent								30,677
Purchase of treasury shares								(0)
Disposal of treasury shares								29
Change in ownership interest of parent due to transactions with non-controlling interests							(280)	—
Net changes in items other than shareholders' equity	(25,111)	1,749	13,886	75	(9,400)	(19)	21,799	12,379
Total changes during period	(25,111)	1,749	13,886	75	(9,400)	(19)	21,519	32,078
Balance at end of period	(27,661)	120	18,738	(147)	(8,950)	13	106,319	541,133

Consolidated Statement of Cash Flows

(Millions of yen)

	Fiscal year ended February 28, 2022	Fiscal year ended February 28, 2023
Cash flows from operating activities		
Profit before income taxes	59,745	59,801
Depreciation	30,561	30,364
Amortization of goodwill	1,873	1,734
Share of loss (profit) of entities accounted for using equity method	26	(19)
Increase (decrease) in allowance for doubtful accounts	(10,602)	(4,029)
Increase (decrease) in provision for bonuses	484	91
Increase (decrease) in retirement benefit liability	(1,959)	140
Increase (decrease) in provision for point card certificates	(13,556)	(6,330)
Increase (decrease) in provision for loss on interest repayment	769	(1,653)
Increase (decrease) in other provisions	(77)	(224)
Financial revenue	(33,684)	(34,403)
Financial expenses	21,433	23,562
Dividend income	(202)	(108)
Loss (gain) on disposal of non-current assets	552	468
Loss (gain) on liquidation of subsidiaries	53	149
Decrease (increase) in operating loans receivable	18,031	(39,503)
Decrease (increase) in cash loans and bills discounted for banking business	(111,630)	(50,764)
Decrease (increase) in accounts receivable—installment	(30,412)	(167,235)
Net decrease (increase) in lease receivables and investments in leases	(300)	633
Net increase (decrease) in deposits	159,878	219,409
Increase (decrease) in trade payables	(44,964)	30,020
Net increase (decrease) in borrowed money	(8,626)	76,207
Net decrease (increase) in due from banks (excluding due from Bank of Japan)	(599)	2,851
Net decrease (increase) in due from banks (over 3 months)	(710)	1,095
Net decrease (increase) in call loans	25,749	2,984
Increase (decrease) in commercial papers	—	(10,000)
Increase (decrease) in straight bonds - issuance and redemption	33,071	5,147
Increase (decrease) in reserve for insurance policy liabilities	(22,271)	(10,029)
Proceeds from sales and leasebacks	929	103
Interest received	33,988	33,342
Interest paid	(21,711)	(23,361)
Other, net	9,226	(29,576)
Subtotal	95,068	110,864
Interest and dividends received	202	108
Income taxes paid	(21,519)	(10,950)
Income taxes refund	2,535	5,116
Net cash provided by (used in) operating activities	76,287	105,138
Cash flows from investing activities		
Purchase of securities	(518,990)	(617,966)
Proceeds from sale of securities	248,186	130,479
Proceeds from redemption of securities	283,851	546,185
Increase in money held in trust	(28,450)	(23,628)
Decrease in money held in trust	10,823	10,578
Purchase of property, plant and equipment	(4,101)	(5,122)
Proceeds from sale of property, plant and equipment	76	12
Purchase of intangible assets	(24,961)	(28,749)
Proceeds from sale of intangible assets	3	6
Net cash provided by (used in) investing activities	(33,562)	11,796
Cash flows from financing activities		
Dividends paid	(9,064)	(11,007)
Proceeds from share issuance to non-controlling shareholders	—	2,040
Dividends paid to non-controlling interests	(4,443)	(5,174)
Purchase of treasury shares	(0)	(0)
Proceeds from disposal of treasury shares	0	0
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	—	(416)
Net cash provided by (used in) financing activities	(13,508)	(14,559)
Effect of exchange rate change on cash and cash equivalents	1,674	4,688
Net increase (decrease) in cash and cash equivalents	30,890	107,064
Cash and cash equivalents at beginning of period	666,738	697,628
Cash and cash equivalents at end of period	697,628	804,693

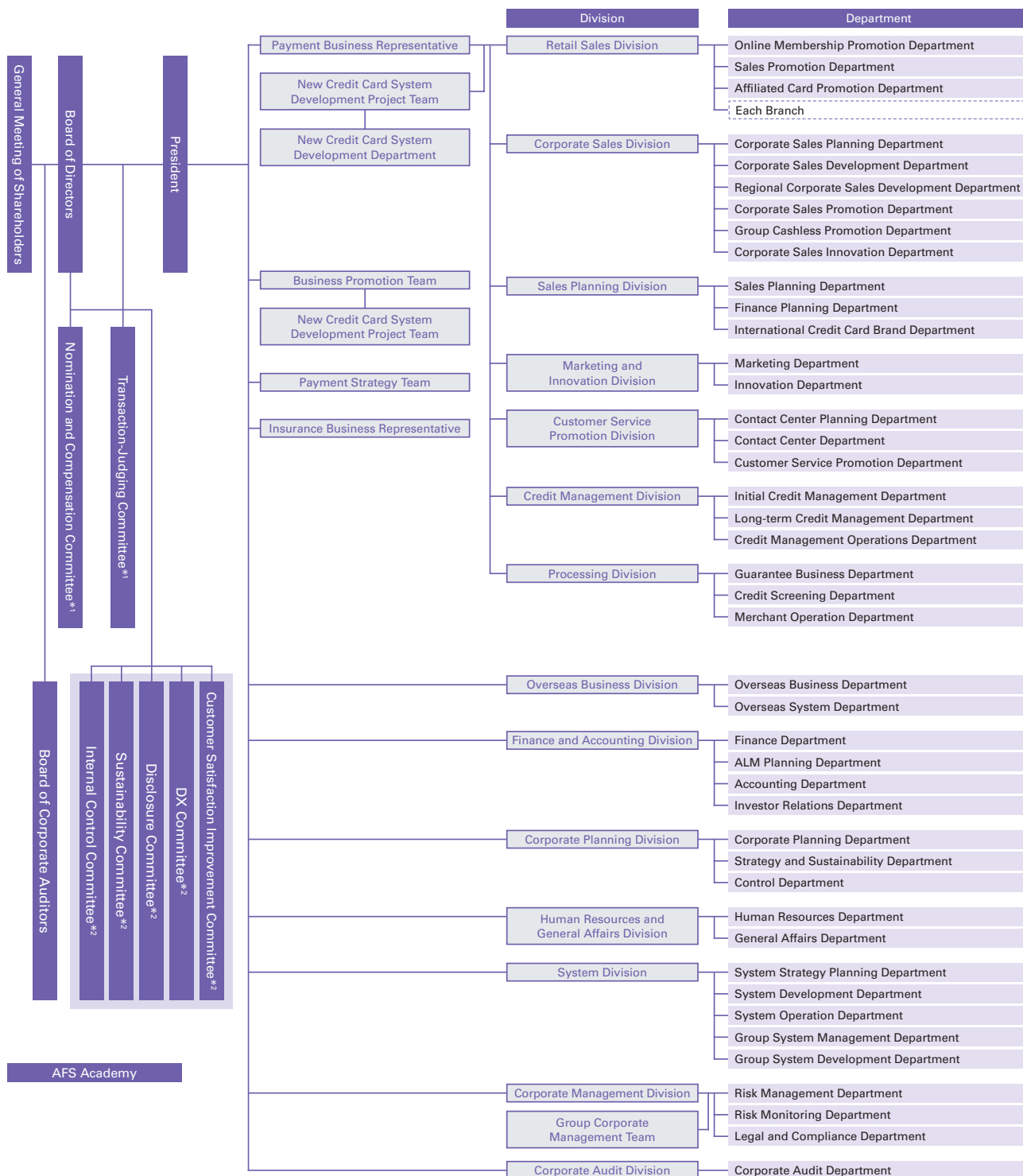
Company Information

Company Information

Company Name	AEON Financial Service Co., Ltd.
Established	June 20, 1981
Representatives	Shunsuke Shirakawa, Chairman Kenji Fujita, President and CEO

Capital Stock	¥45,698 million
Head Office	Terrace Square, 3-22, Kandanishiki-cho, Chiyoda-ku, Tokyo 101-0054, Japan

Organization (As of October 31, 2023)



*1 An advisory body comprising mainly outside directors.

*2 A committee comprising mainly executive officers.

Affiliated Companies

(As of February 28, 2023)

Introduction

Management Strategy

Management Base
—ESG—

Financial Section and
Company Information

Company Name Location	Location	Capital (millions of yen)	Main Business*1	Voting Rights (%)#2	Relationship to the Company			
					Concurrently Serving Officers	Financial Assistance	Business Transactions	Facility Leasing
(Parent) AEON Co., Ltd.*3	Mihama-ku, Chiba	220,007	Pure Holding Company	Ownership: 49.99 (1.8)	—	—	Outsourcing fees	Rental of office premises
(Consolidated Subsidiaries)								
ACS Credit Management Co., Ltd.	Mihama-ku, Chiba	600	Solutions	99.5	—	—	Management fees, outsourcing fees	—
AEON S.S. Insurance Co., Ltd.	Chiyoda-ku, Tokyo	280	Retail	100.0 (10.0)	—	—	Management fees, outsourcing fees	Subletting of office premises
AEON Housing Loan Service Co., Ltd.	Chiyoda-ku, Tokyo	3,340	Solutions	100.0 (100.0)	1	Loans of capital	Management fees, outsourcing fees	Subletting of office premises
AEON Bank, Ltd.*4,5	Chiyoda-ku, Tokyo	51,250	Retail	100.0 (100.0)	3	—	Management fees, outsourcing fees	Subletting of office premises
AEON Insurance Service Co., Ltd.	Chiyoda-ku, Tokyo	250	Retail	99.0	—	Loans of capital	Management fees, outsourcing fees	Subletting of office premises
AEON Credit Service Co., Ltd.*4,5,9	Chiyoda-ku, Tokyo	500	Solutions	100.0	1	Loans of capital	Management fees, outsourcing fees	Subletting of office premises
AEON Product Finance Co., Ltd.	Chiyoda-ku, Tokyo	3,910	Solutions	100.0	1	Loans of capital	Management fees, outsourcing fees	Subletting of office premises
ACS Leasing Co., Ltd.	Chiyoda-ku, Tokyo	250	Solutions	100.0	—	Loans of capital	Management fees, outsourcing fees	—
AFS Corporation Co., Ltd.*5	Chiyoda-ku, Tokyo	2,000	Holding Company or Other	100.0	3	Loans of capital	Management fees, outsourcing fees	Subletting of office premises
AEON Allianz Life Insurance Co., Ltd.*5	Chiyoda-ku, Tokyo	19,749	Retail	60.0	—	—	Management fees, outsourcing fees	—
AEON CREDIT SERVICE (ASIA) CO., LTD.*6	Hong Kong	HKD 269 million	China Area	54.0 (54.0)	1	—	Outsourcing fees	Subletting of office premises
AEON THANA SINSAP (THAILAND) PCL.*4,5,7	Thailand	THB 250 million	Mekong Area	54.3 (19.2)	1	—	Management fees, outsourcing fees	—
AEON CREDIT SERVICE (M) BERHAD*4,5,8	Malaysia	MYR 584 million	Malay Area	61.5	1	—	Management fees, outsourcing fees	—
AEON CREDIT CARD (TAIWAN) CO., LTD.	Taiwan	TWD 615 million	China Area	100.0 (100.0)	—	—	—	—
AEON INFORMATION SERVICE (SHENZHEN) CO., LTD.	Shenzhen, China	RMB 2 million	China Area	100.0 (100.0)	—	—	—	—
ACS CAPITAL CORPORATION LTD.	Thailand	THB 15 million	Holding Company or Other	29.0 (71.0)	—	—	—	—
AEON INSURANCE BROKERS (M) SDN. BHD.	Malaysia	MYR 1 million	Malay Area	100.0 (100.0)	—	—	—	—
PT.AEON CREDIT SERVICE INDONESIA	Indonesia	IDR 200,400 million	Malay Area	95.5 (20.9)	—	—	Management fees, outsourcing fees	—
ACS SERVICING (THAILAND) CO., LTD.	Thailand	THB 148 million	Mekong Area	100.0 (100.0)	—	—	Management fees	—
AEON CREDIT SERVICE SYSTEMS (PHILIPPINES) INC.	Philippines	PHP 65 million	Holding Company or Other	100.0	—	—	—	—
ACS TRADING VIETNAM CO., LTD.	Vietnam	VND 330,000 million	Mekong Area	100.0 (3.0)	1	—	Outsourcing fees	—
AEON INSURANCE BROKERS (HK) LIMITED	Hong Kong	HKD 1 million	China Area	100.0 (100.0)	—	—	—	—
AEON CREDIT SERVICE INDIA PRIVATE LIMITED*5	India	INR 4,200 million	Malay Area	100 (4.3)	—	—	—	—
AEON SPECIALIZED BANK (CAMBODIA) PUBLIC LIMITED COMPANY	Cambodia	USD 20 million	Mekong Area	100.0 (100.0)	—	—	Outsourcing fees	—
AEON Financial Service (Hong Kong) Co., Limited.*5	Hong Kong	RMB 740 million	Holding Company or Other	100.0	—	—	Management fees	Subletting of office premises
AEON Leasing Service (Lao) Company Limited	Laos	LAK 28,000 million	Mekong Area	100.0 (100.0)	—	—	Management fees, outsourcing fees	—
AEON CREDIT SERVICE (PHILIPPINES) INC.*5	Philippines	PHP 3,500 million	Malay Area	99.1 (99.1)	—	—	Outsourcing fees	—
AEON Microfinance (Myanmar) Co., Ltd.	Myanmar	MMK 17,021 million	Mekong Area	100.0 (100.0)	—	—	Outsourcing fees	—
ACSI (Thailand) CO., LTD.	Thailand	THB 100 million	Mekong Area	100.0 (100.0)	—	—	—	—
AEON MICRO FINANCE (SHENZHEN) CO., LTD.	Shenzhen, China	RMB 150 million	China Area	100.0 (100.0)	—	—	—	—
ATS Rabbit Special Purpose Vehicle Company Limited	Thailand	THB 0 million	Mekong Area	48.7 (48.7)	—	—	—	—
(Equity-Method Affiliate) FUJITSU CREDIT SERVICE SYSTEMS (TIANJIN) CO., LTD.	Tianjin, China	RMB 20 million	Holding Company or Other	49.0	—	—	—	—

Notes:

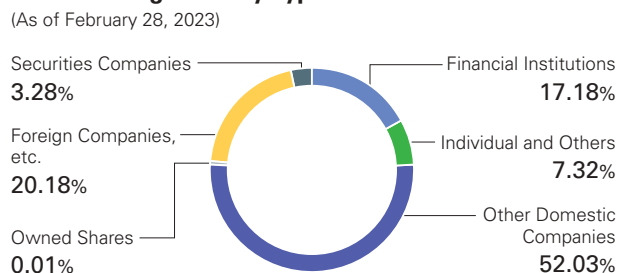
- Segment names are in the Main Business column.
- Figures in parentheses in the Voting Rights column indicate percentage of directly or indirectly owned voting rights. Figures in parentheses indicate percentage of voting rights held by entities that are close to and agree with the Company as indicated in external documents.
- AEON Co., Ltd. is a company that submits annual securities reports.
- AEON Bank, Ltd.; AEON Credit Service Co., Ltd.; AEON Allianz Life Insurance Co., Ltd.; AEON THANA SINSAP (THAILAND) PCL. and AEON CREDIT SERVICE (M) BERHAD each account for more than 10% of consolidated ordinary revenue (excluding intersegment transactions).
- Specified subsidiary.
- Shares of AEON Credit Service (Asia) Co., Ltd. are listed on the Hong Kong Stock Exchange.
- Shares of AEON THANA SINSAP (THAILAND) PCL. are listed on the Stock Exchange of Thailand.
- Shares of AEON CREDIT SERVICE (M) BERHAD are listed on Bursa Malaysia.
- As of June 1, 2023, AEON Credit Service Co., Ltd. ceased operations due to its merger with AEON Financial Service Co., Ltd.

Share Information

Basic Share Information (As of February 28, 2023)

Stock Listing	Tokyo Stock Exchange, Prime Market
Industry Sector	Other Financing Business
Securities Code	8570
Share Unit	100
Fiscal Year	March 1 to February 28 of the following year
Dividend Record Date	End of February (interim dividend: August 31)
Authorized Shares	540,000,000
Issued Shares	216,010,128
Shareholders	33,002

Shareholding Ratio by Type of Shareholder (As of February 28, 2023)

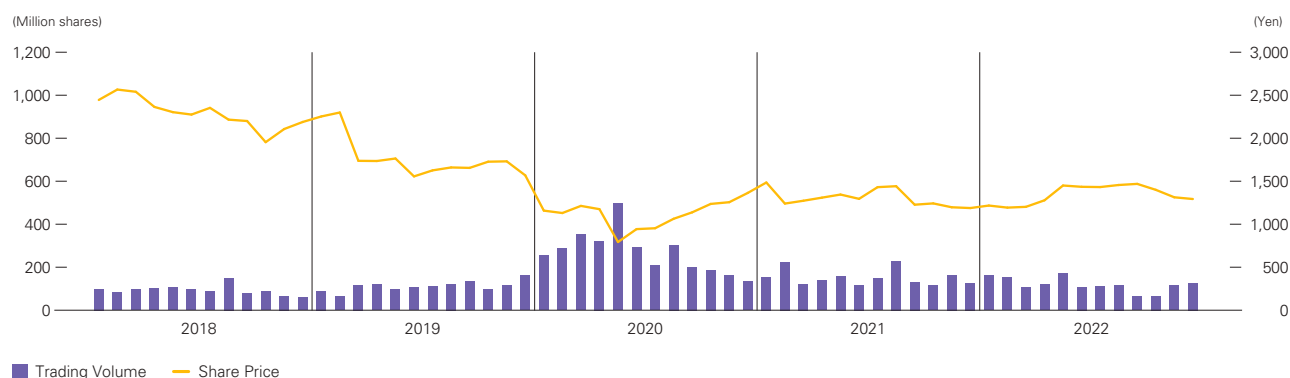


Major Shareholders (As of February 28, 2023)

Shareholder Name	Shares Held (Thousands)	Percentage of Total Shares Held (Excluding Treasury Stock) (%)
AEON Co., Ltd	104,051	48.20
The Master Trust Bank of Japan, Ltd. (Trust Account)	21,851	10.12
Custody Bank of Japan, Ltd. (Trust Account)	7,815	3.62
STATE STREET BANK AND TRUST COMPANY 505223	4,891	2.27
J.P. MORGAN BANK LUXEMBOURG S.A. 381572	3,318	1.54
Maxvalu Nishinohon Co., Ltd.	2,646	1.23
JP MORGAN CHASE BANK 385632	2,545	1.18
STATE STREET BANK AND TRUST COMPANY 505103	1,955	0.91
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	1,761	0.82
STATE STREET LONDON CARE OF STATE STREET BANK AND TRUST, BOSTON SSBTC A/C UK LONDON BRANCH CLIENTS—UNITED KINGDOM	1,719	0.80

Note: In addition to the above, the Company holds 152,000 shares of treasury stock.

Share Price and Trading Volume



	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022
Market capitalization (Billions of yen)*	5,080	3,387	2,946	2,566	2,793
High (Yen)	2,785	2,329	1,601	1,608	1,521
Low (Yen)	1,849	1,493	793	1,135	1,055

Note: Market capitalization is calculated by multiplying the closing price of the stock price at the end of the fiscal year by the total number of shares issued at the end of the fiscal year.

AEON Foundational Ideals

Pursuing peace, respecting humans, and contributing to local communities, always with customers as our starting point.

Pursuing peace, respecting humans, and contributing to local communities, always with customers as our starting point.

AEON firmly believes that retailing is an industry to promote peace, humanity, and local communities.

To remain a thriving corporate group that fulfills this mission, we are committed to continuous innovation, with customers as our starting point.

AEON Group Future Vision

Create a future lifestyle that leads to a smile for each and every person

The future that the AEON group wishes to realize is one in which customers can feel a “brighter society” and “happiness that is uniquely their own,” creating a future that is fulfilling and full of smiles.

The AEON group wishes to be a group that leads the co-creation of lifestyles, enriching each individual and society as a whole.

Please refer to our corporate website for the AEON Foundational Ideals
<https://www.aeon.info/en/company/concept/>



Please refer to our corporate website for the AEON Group Future Vision
<https://www.aeon.info/vision/en/>

