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FY2022 Third Quarter IR Presentation Material

January 12, 2023



AEON Financial Service

Stock Listing: Tokyo Stock Exchange, Prime Market

Code No: 8570

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The Highlights of the Consolidated Results

- Progress against full-year forecasts is roughly on plan

Consolidated Operating revenue (YoY) (compared to the 3Q of FY2019)

¥331.1 bn (95%)

[comparison with before the application of accounting standards for revenue recognition] **(103%) (93%)**

Operating profit

¥41.5 bn (94%) (96%)

Ordinary profit

¥44.5 bn (98%) (102%)

Profit attributable to owners of parent

¥22.3 bn (100%) (101%)

※From this fiscal year, accounting standards for revenue recognition is applied.

Domestic

(YoY) (compared to the 3Q of FY2019)

¥206.3 bn (84%)

(95%) (96%)

¥10.1 bn (56%) (39%)

Global

(YoY) (compared to the 3Q of FY2019)

¥125.1 bn (121%) (110%)

¥31.9 bn (118%) (173%)

※Domestic and Global results include figures after elimination of set-offs in transactions between business segments.

Performance progress rate (compared to full-year forecast)

Consolidated operating revenue

74.4%

Consolidated operating profit

69.3%
to **75.6%**

Consolidated operating profit

74.3%
to **81.0%**

Profit attributable to owners of parent

77.2%
to **82.9%**

The Highlights of the Consolidated Results -3Q 3 Months

- Domestic : The recovery of credit card receivables was lower than planned, and operating profit was negative
- Global : Performed well with operating revenue and net income exceeding the previous year's level

Consolidated
Operating revenue (YoY) (compared to the 3Q of FY2019)
¥109.5bn (99%)

[comparison with before the application of accounting standards for revenue recognition] (107%) (99%)

Operating profit
¥9.7bn (88%) (53%)

Ordinary profit
¥10.1bn (91%) (55%)

Profit attributable to owners of parent
¥4.1bn (99%) (41%)

※From this fiscal year, accounting standards for revenue recognition is applied.

Domestic
 (YoY) (compared to the 3Q of FY2019)
¥65.1bn (85%)
 (97%) (92%)

-¥0.2bn (-%) (-%)

Global
 (YoY) (compared to the 3Q of FY2019)
¥44.5bn (131%) (114%)

¥10.0bn (113%) (197%)

※Domestic and Global results include figures after elimination of set-offs in transactions between business segments.

<outline>

- Operating revenues continued to be strong in HK (152%, YOY) and other Global businesses
- Operating profit was driven by TH (+¥1.6bn, YoY), followed by HK (+¥0.4bn)
- Overseas unlisted companies in Cambodia and other countries also contribute

Breakdown of Operating Profit YoY (Cumulative 3Q)

- Credit card business covers negative cash advances due to recovery in shopping

	Contents	YoY Change (Unit : billions of yen)		
Credit Card Business	<ul style="list-style-type: none"> ■ Card Shopping Recovery <ul style="list-style-type: none"> - Transaction volume : 109%(YoY) / Revolving balance: +¥11.3bn (YoY), +¥12.2bn compared to the beginning of the FY ■ Cash advance transaction volume increased, balance narrowed by negative difference from the previous quarter, and reversed the difference at the beginning of the period <ul style="list-style-type: none"> - Transaction volume : 106%(YoY) / Balance: -¥11.8bn (YoY), +¥3.1bn compared to the beginning of the FY ■ Promote settlement of long-term delinquent loans and improve debt-related costs 	Shopping Revenue	+7.6	
		Increase in points and promotional expenses	▲4.9	
		Total		+2.7
		Cash advance	▲2.6	
		Decrease in bad debt-related expenses	+0.5	
		Operating Profit	+0.5	
Insurance Business	<ul style="list-style-type: none"> ■ AEON Allianz Life Insurance <ul style="list-style-type: none"> - Operating expenses associated with business development (personnel exp., depreciation and amortization, sales promotion exp., etc.) +¥1.3bn 	Operating Profit	▲1.2	
Other	<ul style="list-style-type: none"> ■ Increase in interest on banking loans <ul style="list-style-type: none"> - Expansion of the balance of operating receivables such as housing loans ■ Increase in variable costs due to business expansion <ul style="list-style-type: none"> - Card issuance fee, international brand fee, etc. ■ Decrease in interest dividends on investment securities <ul style="list-style-type: none"> - Decrease due to changes in the market environment ■ Decrease in securitization income <ul style="list-style-type: none"> - In view of the market environment, curbing the securitization of installment finance receivables ■ Consolidation of head office functions – Relocation and consolidation of offices, etc. ■ Other expenses – Other expenses for business expansion 		+1.1	
			▲3.2	
			▲2.0	
			▲1.2	
			▲0.9	
			▲1.0	
			▲1.0	
		Total	▲7.9	

Renewal of Card Design and Membership Acquisition Measures

- In conjunction with the renewal of AEON Card tickets, we will conduct a winter enrollment campaign at stores and on the Web. Gained approx. 200,000 new members in November

New Card Design



対象のカード新規ご入会・ご利用で

WAON POINT

最大 **11,000** ポイント進呈! ※適用条件あり

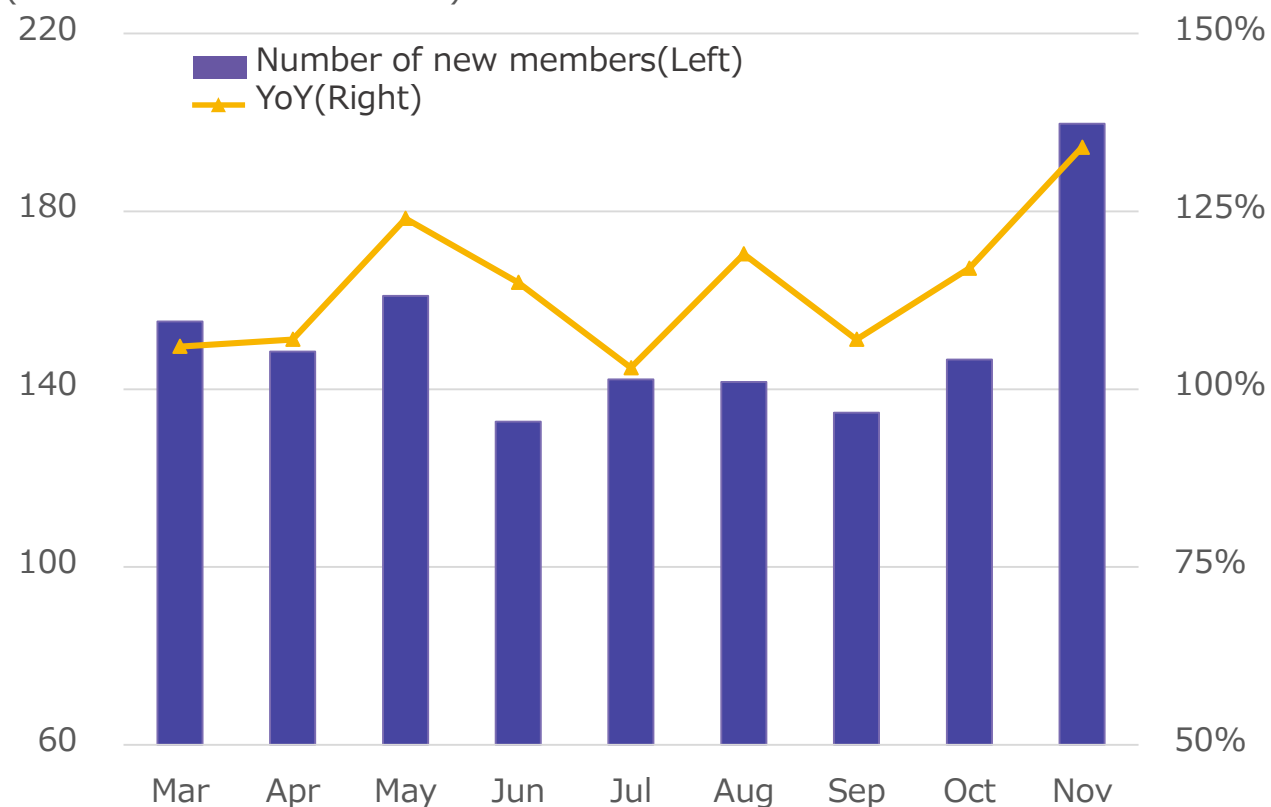
入会金 年会費 無料

お申込期間: 2022年11月1日(火) ▶ 2023年1月10日(火)
(本キャンペーン終了後、同様のキャンペーンを実施する場合があります)



Monthly Trends in the No. of New Members

(Unit :thousand of members)



Cash Advance Measures

- Measures tailored to member attributes have led to an increase in cash advance transaction volume

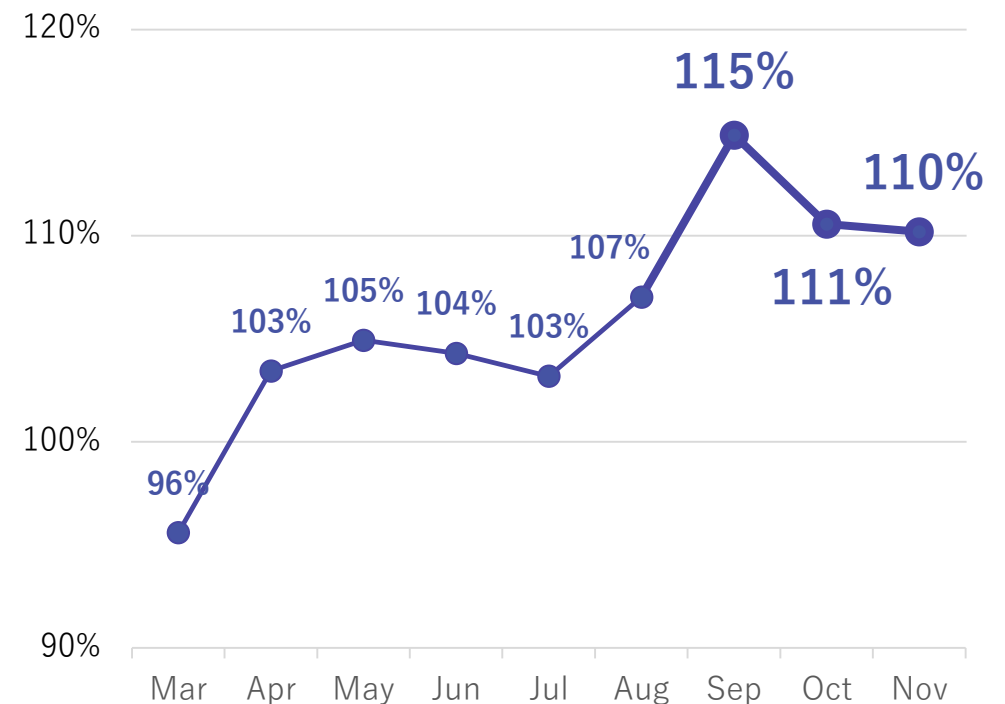
"Revitalization of existing and dormant members"

Appeal for online cash advances by DM
For members with high sales promotion effects,
outbound calls are also conducted

"Promotion of use by new members"

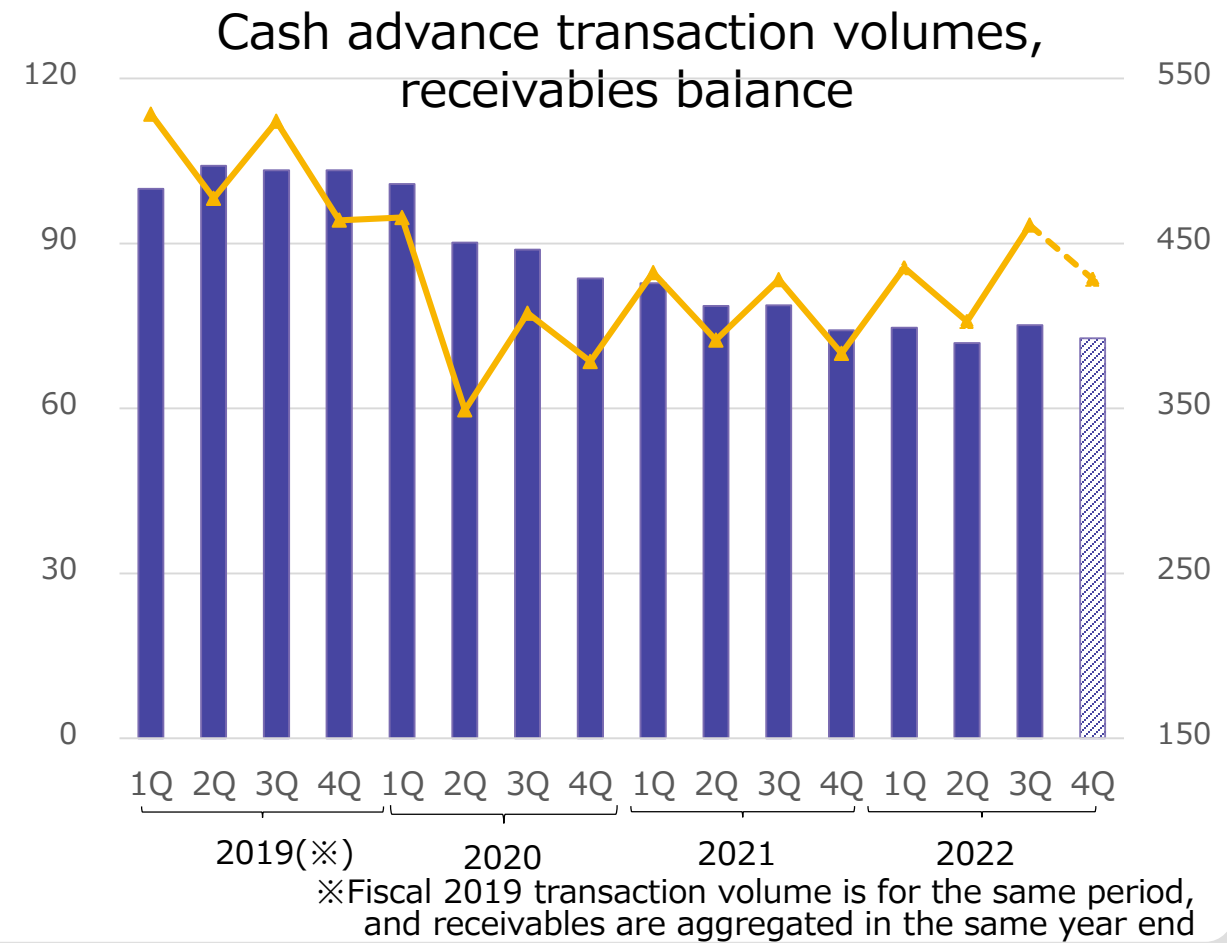
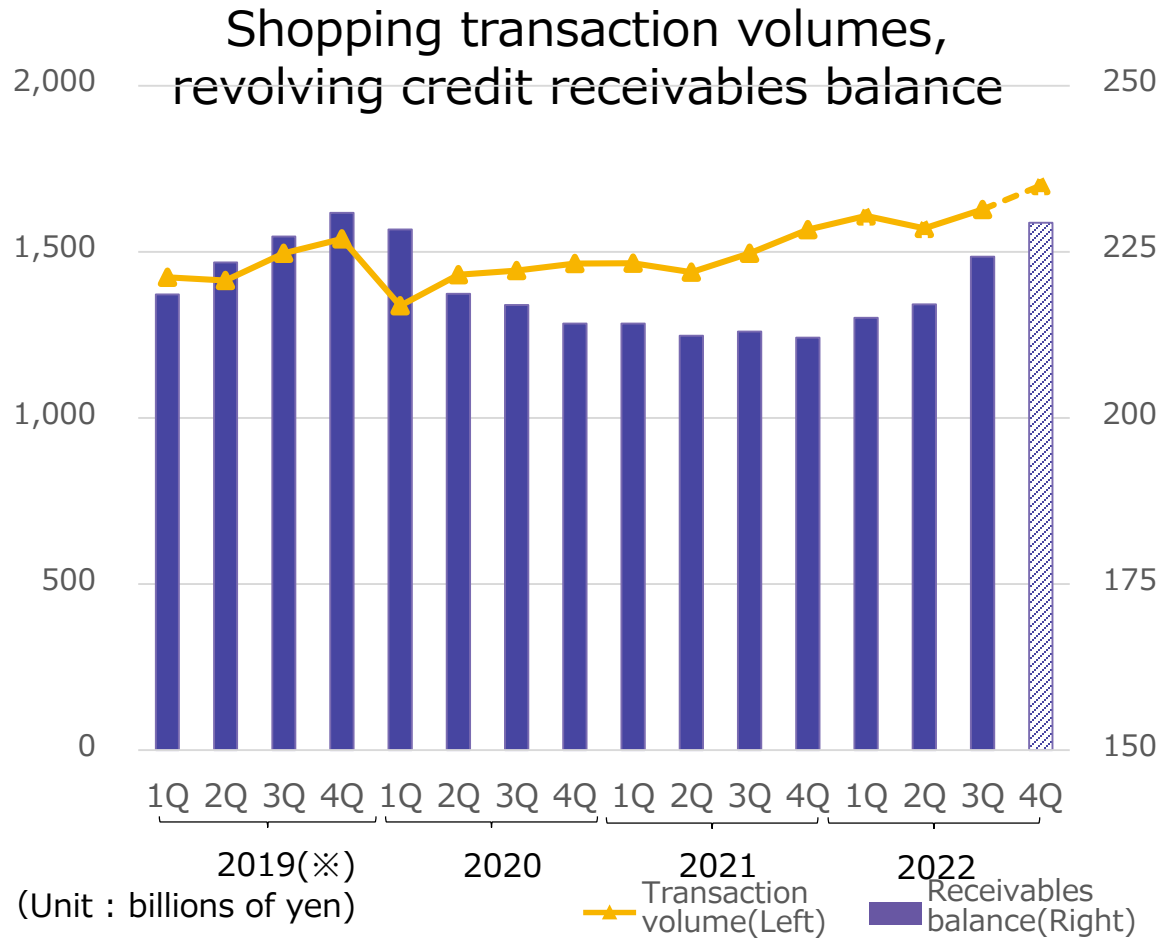
Tendency for new members to use online cash advances to be high
Appeal the use of online cash advances
through online advertising and digital distribution

Year-over-year change
in cash advance transactions



Credit Card Transactions Volume and Outstanding Receivables

- Strengthened sales promotion to increase household spending and stimulate consumption, and re-expanding the amount outstanding of revolving after bottoming out at the end of the previous fiscal year



Asset Management Business (AEON Bank)

- Establishing a sales process for asset management products that leverages AEON Bank's strengths in customer service at branches

Financial instrument sales channels



«AEON Card members»
Many people have little investment experience



Understanding customer needs through in-branch consulting sales
Sell through channels that match product characteristics

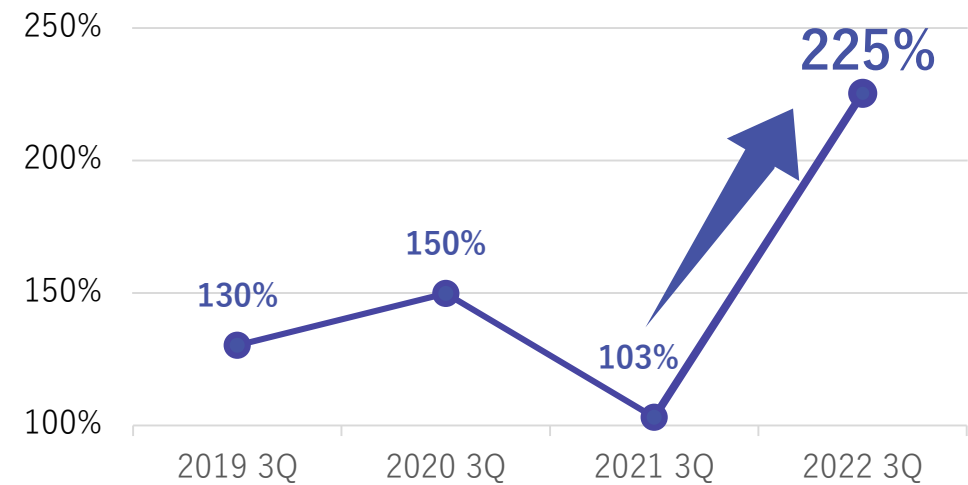
Investment Trusts • Foreign Currency Deposits
From the 2nd to 3rd time onwards, mainly online purchases

Insurance

In branch application

Financial instruments transaction volume (YoY)

(Financial products: Cumulative sales of investment trusts, foreign currency deposits, and insurance in 3Q)



- Foreign currency deposits: Trxn vol. increased significantly due to foreign currency interest rate campaign measures
- Insurance: Strong sales on the back of rising U.S. long-term interest rates

Cumulative Performance Progress in the Q3 (China Area, Status in Hong Kong)

- Operating revenue steadily expanded, and the bad debt ratio stabilized at a low level, resulting in profit expanding year-on-year

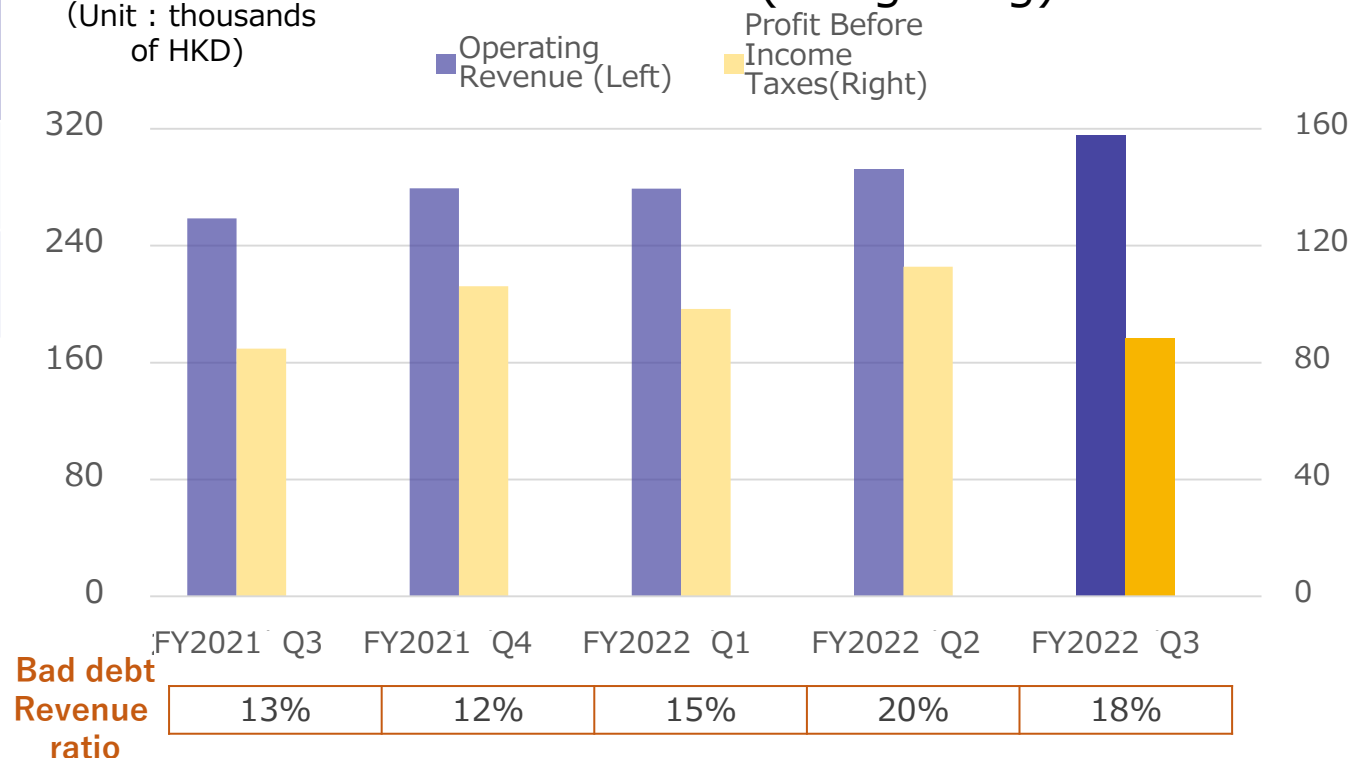
(Unit : thousands of HKD)

	3Q Cumulative	Previous QoQ	QoQ
Operating Revenue	351,631	108%	122%
Profit Before Income Taxes	88,533	79%	104%

- Outstanding operating receivables expanded due to measures aimed at recovering consumer sentiment through deregulation of behavior
- The loan loss expense ratio is stable at a low level due to strong recent collections

Operating Revenue and Profit Before Income Taxes (Hong Kong)

(Unit : thousands of HKD)



Cumulative Performance Progress in the Q3 (Mekong Area, Status in Thailand)

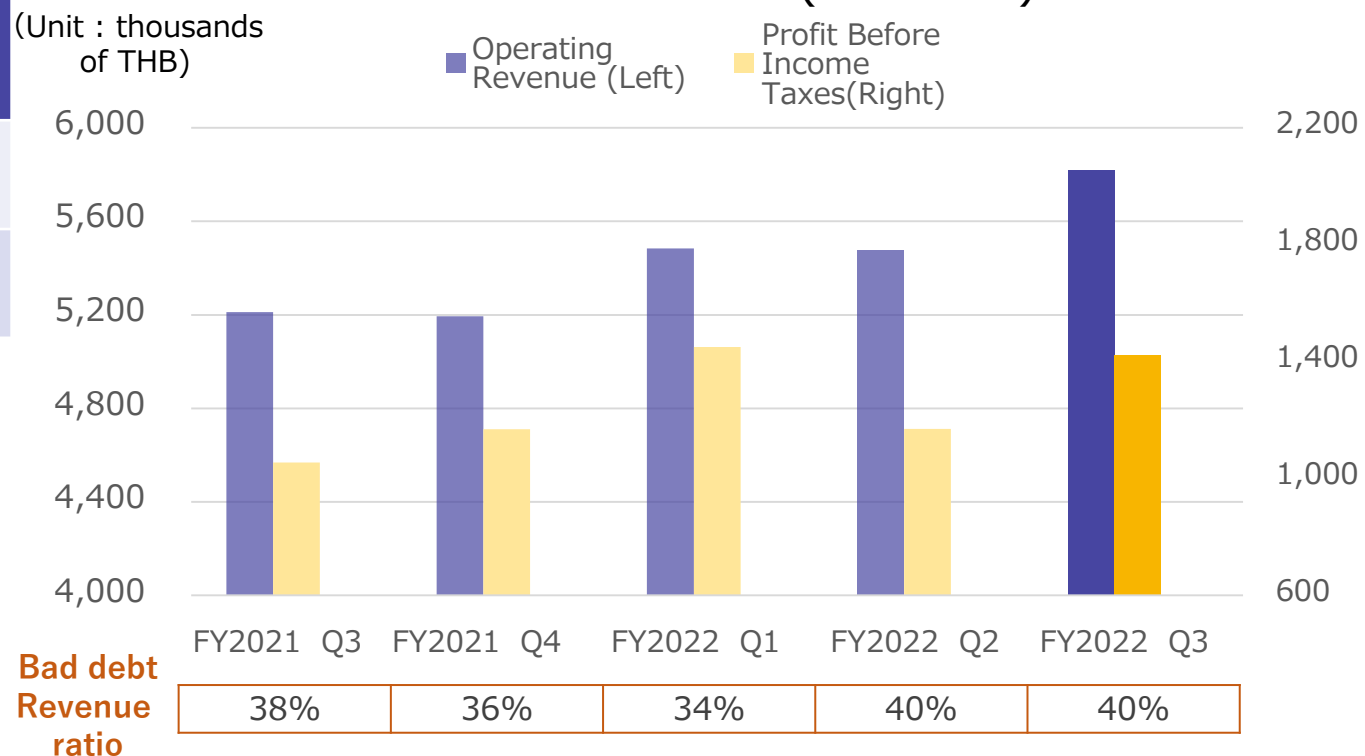
- Earnings increased due to steady expansion of outstanding operating receivables, and bad debt control remained stable

(Unit : thousands of THB)

	3Q Cumulative	Previous QoQ	QoQ
Operating Revenue	5,819,506	106%	112%
Profit Before Income Taxes	1,421,015	122%	135%

- Sales promotion measures with partners such as major EC sites led to an increase in shopping receivables and an increase in operating revenue
- As the outlook for the external environment has recovered due to the increase in travelers, the allowance ratio for doubtful accounts has been revised

Operating Revenue and Profit Before Income Taxes (Thailand)



Cumulative Performance Progress in the Q3 (Malay Area, Status in Malaysia)

- Operating revenue expands due to increased transaction volume, but controlling bad debt costs is an issue

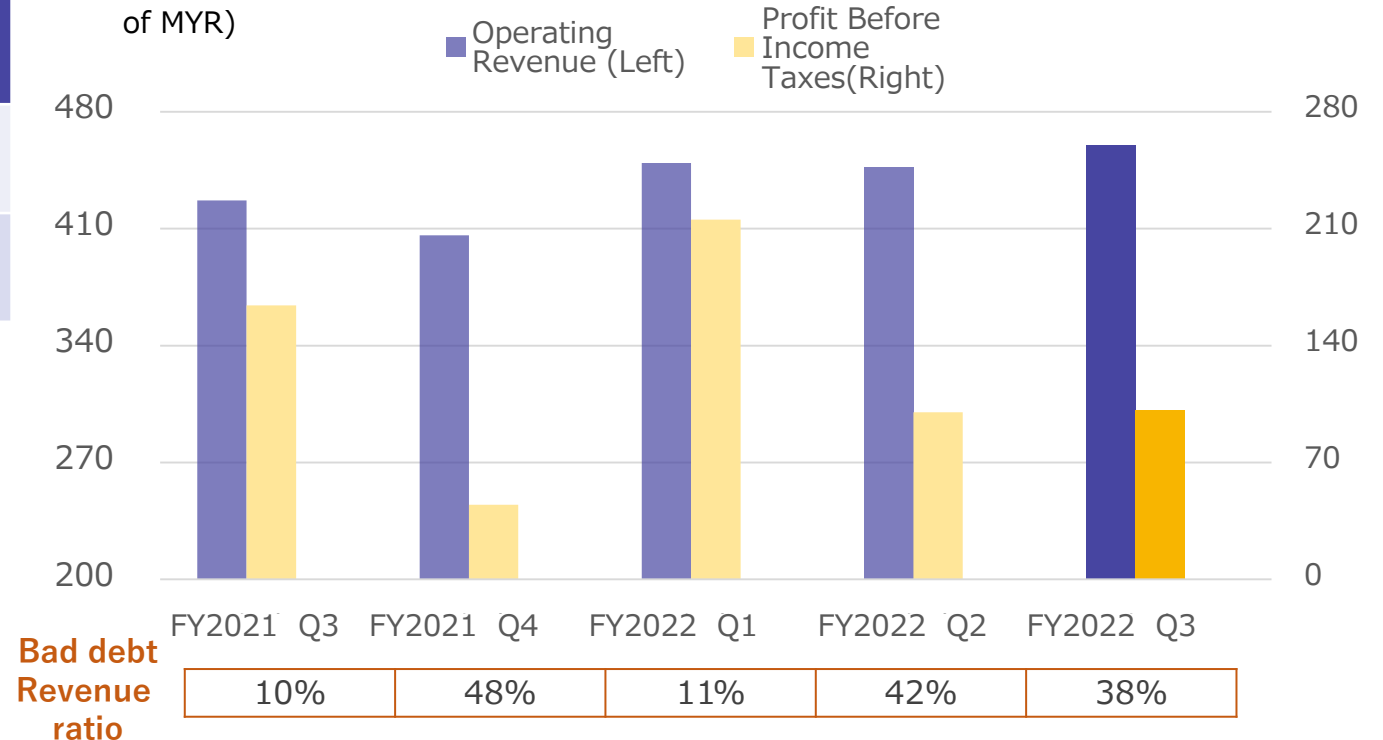
(Unit : thousands of MYR)

	3Q Cumulative	Previous QoQ	QoQ
Operating Revenue	460,040	103%	108%
Profit Before Income Taxes	101,583	102%	62%

- Effects of measures such as providing incentives to excellent merchants increased the balance of operating receivables
- Strengthen the examination of motorcycle finance As the collection rate has been declining due to environmental degradation such as price rises

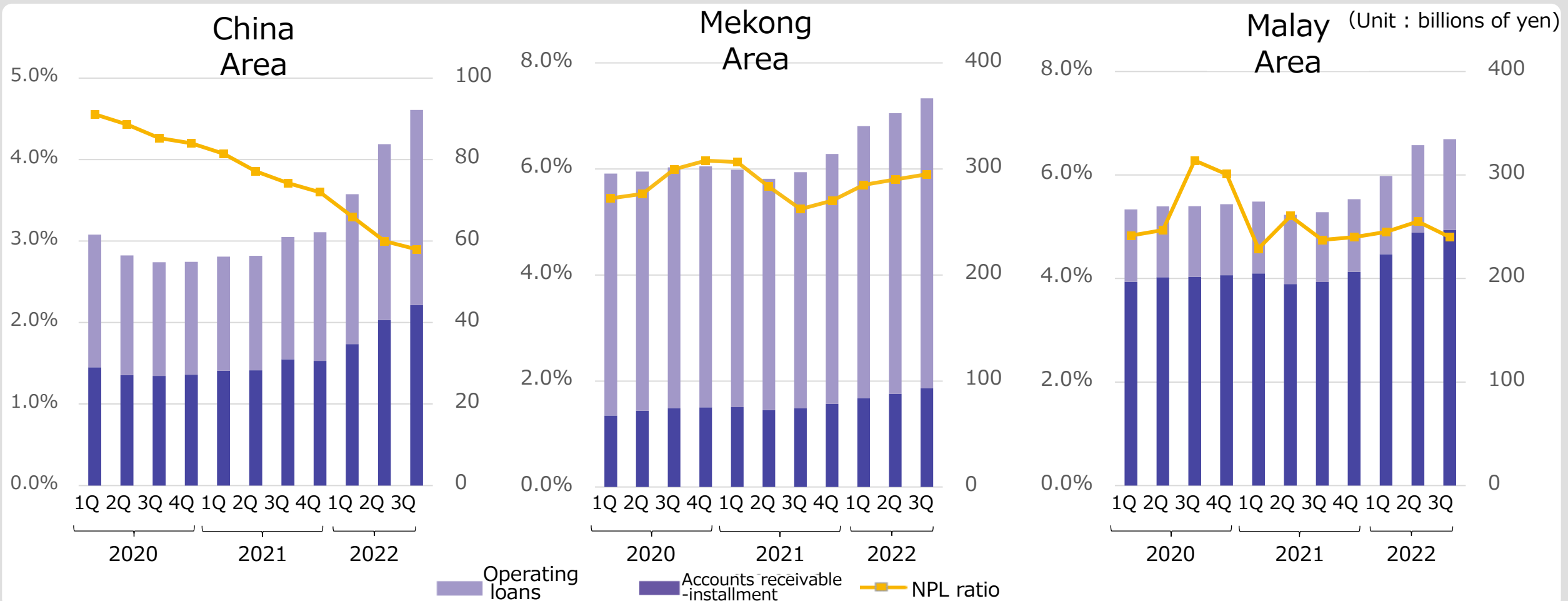
Operating Revenue and Profit Before Income Taxes (Malaysia)

(Unit : thousands of MYR)



Outstanding receivables and NPL ratio

- NPL ratio rises due to expansion of operating receivables in the Mekong Area, but controlled in the normal range in each area



Future Directions

Domestic Business – Expanding the No. of IDs

- Promote the use of AEON Pay and expand the merchant network to expand the number of IDs and penetration

Measures to promote the use of AEON Pay

Continue to implement campaigns using points at AEON nationwide

In the 4Q, the "My Basket" campaign promoted the penetration of daily use of AEON Pay among young people in urban areas



AEON Payが使えるお店ならどこでも

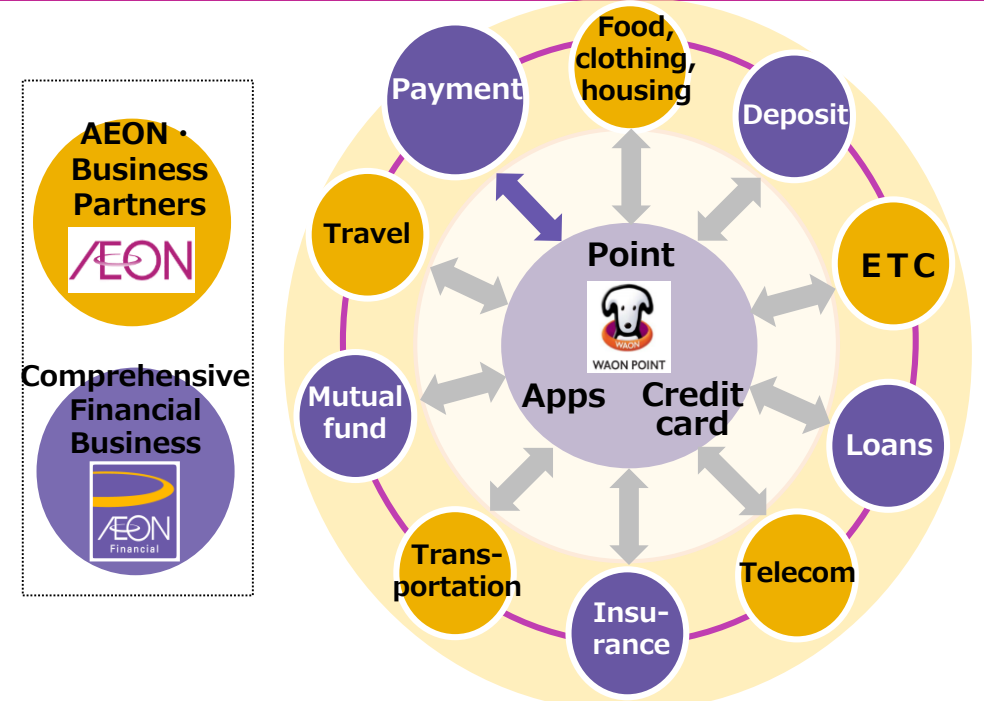


WAON POINT

基本の **3倍** 還元 **1.5%**

イオンゴールドカードならさらにおトク!

Expansion of AEON Pay merchant network



<Major new merchants from the 3Q onwards>
JINS, EDION, Matsuya, Colowide Group, New Chitose Airport, Asahikawa Airport

Domestic Business Restructuring

- In the 1H of FY2023, the company shifted to a business holding company whose parent company is the settlement business, and continued to reorganize its domestic business

Expected Restructuring Effects

	Restructuring Effects
Optimal allocation of management resources	<ul style="list-style-type: none">• Elimination and consolidation of duplicate functions• Centralized allocation of resources to growth areas
Faster decision-making	<ul style="list-style-type: none">• Faster strategy execution by reducing decision-making processes
Demonstrating Group Synergies	<ul style="list-style-type: none">• Promotion of cross-selling and enhancement of business strategies of Group companies using payment data

Future Perspective

Optimize sales touchpoints

Organizational structure review of other non-bank businesses

Continue restructuring to become a more strategic execution organization

Review of housing loans rates and measures

- Strengthen measures to pursue synergies between retail and finance, such as expanding exclusive benefits for Select Club subscribers

Main measures for housing loans

Expansion of Select Club Benefits

(Extension of discount application period and elimination of annual discount cap)

All Disease Group Credit Life Insurance

Zero additional interest rate

Interest rate reduction with individual preferential treatment

Expansion of AEON Select Club benefits (from March '23)

"Discount until loan completion"

"Annual discount limit unlimited"

Measures unique to the AEON Group
Gain a competitive advantage

イオン銀行住宅ローンご契約者さま限定特典

もっと! イオンセレクトクラブが **おトクに変わります!**

イオンでのお買い物専用カードのクレジット払いで **住宅ローンご完済まで ずっと毎日5%OFF**になります!

住宅ローンのお借入れで生活費がこんなにオトクに! / 例えば毎月イオンでのお買い物が75,000円の場合

食費	毎月	衣料費	毎月	日用品	毎月
約50,000円	+	約15,000円	+	約10,000円	

↓

1年間で 約**45,000**円もおトクに!

今までは! **5**年間で 約**225,000**円もおトクに!

これからは! **35**年間で 約**1,575,000**円もおトクに!

Global Business (China Area)

- Implement plans in line with the recovery in demand for tourism to Japan and strengthen the insurance business to acquire new revenue sources

Capturing demand for tourism to Japan

- Since the Japan government's easing of border measures, the number of foreign visitors from Hong Kong has increased sharply (Sep: 2,000ppl, Oct: 36,000ppl, Nov: 83,000ppl)
- AEON Card WAKUWAKU, a new card for people in 20s and 40s that increases the redemption rate by using it in Japan, exceeded 50,000 cards in the first 6 months of issuance



Started consulting business for savings-type insurance products

- Started sales of savings-type insurance products through face-to-face consulting sales in addition to telemarketing, online based medical and death protection products



Strengthening insurance business in China Area

4. Future Directions

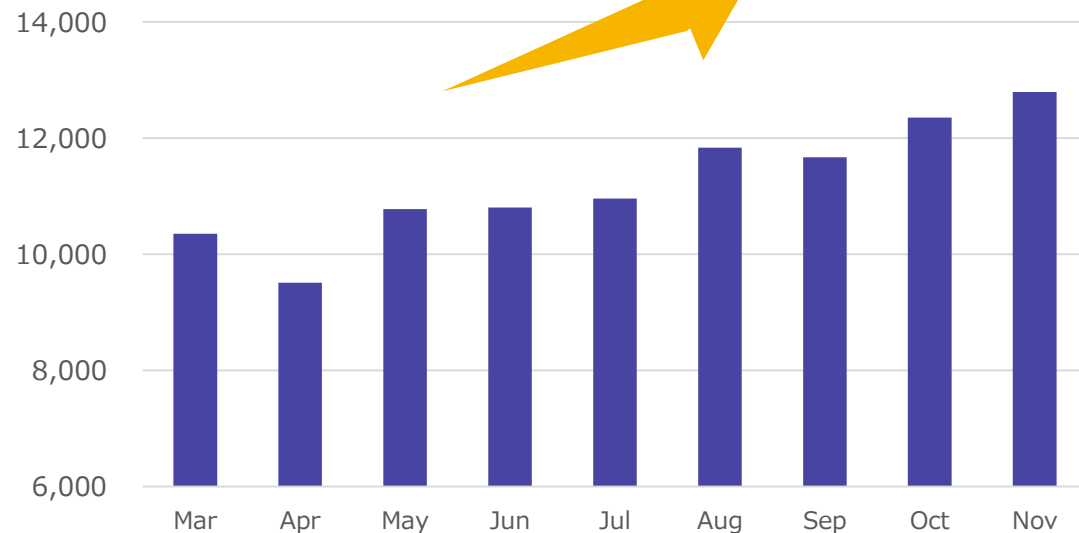
Global Business (Mekong Area)

- Transaction volume growth in Cambodia toward the second half of the year, strengthening receivables management system in Thailand to improve bad debt costs

Growth in transaction volume (Cambodia)

- With the recovery of the domestic economy, transaction volume increased toward the 2H of the FY, mainly in the credit card business. The loan business is also recovering, and further growth is expected

(Unit : thousands of USD)



Measures to Improve Bad Debts (Thailand)

Refinement of screening by analyzing attributes such as area and occupation

Increase the number of calling operators utilizing telecommuting

- ✓ Optimizing screening and credit lines
- ✓ Improving the collection rate by strengthening the system

Implement the above two points to improve bad debt costs

4. Future Directions

Global Business (Malay Area)

- Capture growing demand for electric motorcycles in Indonesia, aim to improve its credit content in Malaysia

Started handling electric motorcycles (Indonesia)

- Started handling electric motorcycles in October
- The Indonesian government is considering introducing purchase subsidy measures to expand the spread of e- motorcycles and EVs, aiming to capture demand



Measures for the current FY against bad debts (Malaysia)

Stricter screening of small motorcycle purchasers with minimum wage or less

Improving convenience for excellent customers by introducing automatic screening for large motorcycles and automobiles

- ✓ Optimizing screening and credit lines
- ✓ attracting good customers

Implement the above two points to improve bad debt costs

5. Earnings and Dividend Forecasts

FY2022 earnings forecast, dividend forecast (unchanged)

- In view of uncertainties in the economic environment, such as interest rates and price rises, there is no change in earnings forecasts

Consolidated

Operating revenue^(※1) (YoY)
¥445.0bn (101%)

Operating profit
¥55.0bn (93%)
to **¥60.0bn** (to 102%)

Profit attributable to owners of parent

¥27.0bn (89%)
to **¥29.0bn** (to 96%)

※1 Operating revenue is the number after the application of the accounting standard on revenue recognition.

Domestic

(YoY)
¥290.0bn (96%)

¥21.0bn (81%)
to **¥23.0bn** (to 88%)

Global

(YoY)
¥155.0bn (112%)

¥35.0bn (104%)
to **¥38.0bn** (to 112%)

Dividends per share

(Increase in dividends)

Annual **¥50**(+ ¥4)

Interim : **¥20** (+¥3)

Year-end : **¥30** (+¥1)

Payout ratio

37.2%

to **40.0%**

APPENDIX

ESG Initiatives (Issuance of sustainability-linked loans)

- In November 2022, the Group's first sustainability-linked loan was raised at a local subsidiary in HK Planning to actively use it in future fundraising as a measure that matches the Group's environmental and social contribution measures

■ Outline

Borrower

: AEON Credit Service(Asia)Company Limited

Aggregate Amount : HKD 320,000,000-

Start date : November 30, 2022

Maturity : 3 years

<Sustainability Targets (a part) >

Reduction of power consumption

Reduction of use of copy paper

Grant of Incentives to Students

Time spent on employee training

※What is a Sustainability-Linked Loan?

By setting sustainability targets in coordination with borrowers' sustainability policies and strategies and linking borrowing conditions such as interest rates to the achievement of sustainability targets, borrowers are incentivized to achieve their goals, and aim to promote and support environmentally and socially sustainable economic activities and economic growth.

Impact of the application of the accounting standard on revenue recognition

- Began applying the accounting standards for revenue recognition in the FY2022 1Q
- Due to the application of the standards, some operating revenues and operating expenses have been changed from gross notation to net notation
- In FY22 3Q results, both operating revenue and operating expenses decreased by ¥26.8 bn on a consolidated basis and by ¥26.9 bn in Japan compared to before the standard was applied
- Mainly numerical recombination of domestic business, no change in numerical value for Global business

FY2022 3Q Cumulative Results

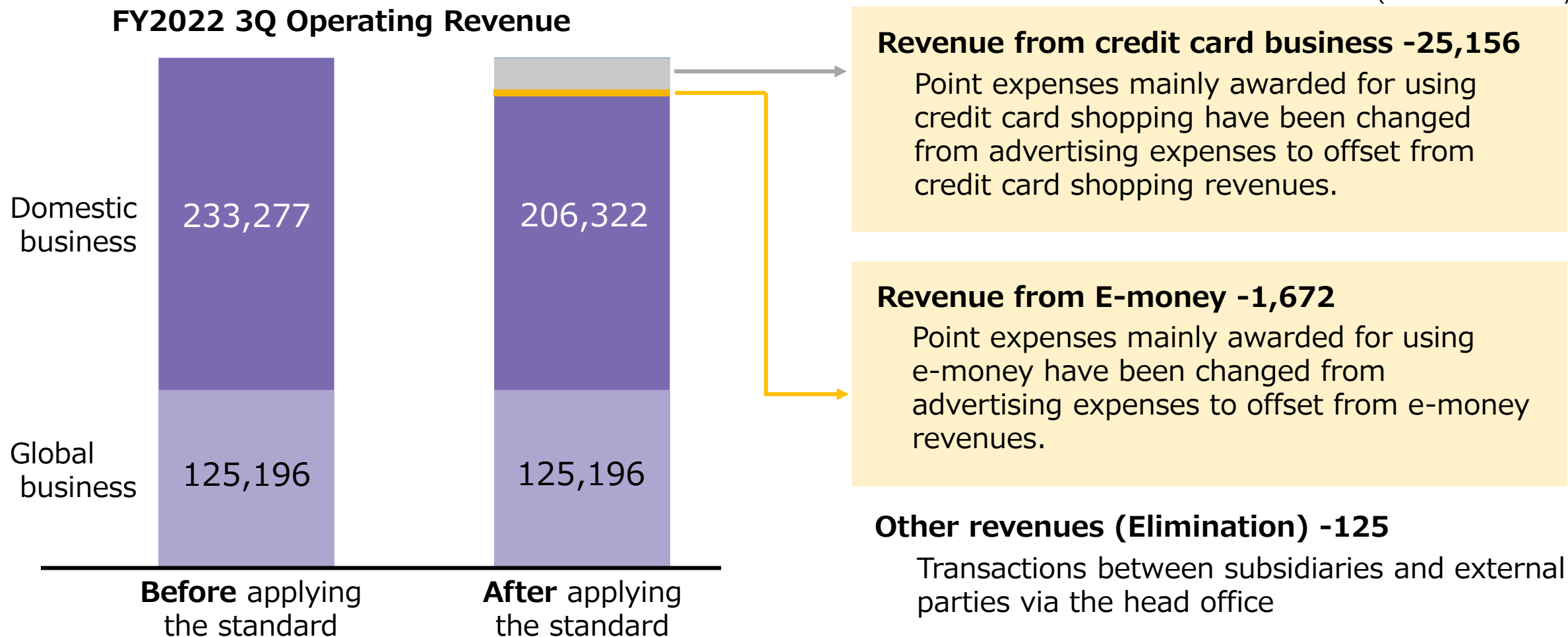
(Unit : millions of yen)

	Before applying the standard			After applying the standard			Difference	
	Consol.	Domestic	Global	Consol.	Domestic	Global	Consol.	Domestic
Operating Revenue	357,978	233,277	125,196	331,150	206,322	125,196	-26,828	-26,954
Operating Expenses	316,401	223,084	93,284	289,572	196,130	93,284	-26,828	-26,954
Operating Profit	41,577	10,192	31,911	41,577	10,192	31,911	±0	±0
Net Profit	22,388			22,388			±0	

Impact of the application of the accounting standard on revenue recognition

- Cumulative results for 3Q of FY2022 showed an impact of ¥25.1 bn in domestic card shopping revenue and ¥1.6 bn in domestic e-money revenue
- Advertising expenses decreased by the same amount, and there was no impact on operating profit

(Unit : millions of yen)



Q3 Results by Segment

(Unit : billions of yen)

	Domestic Total	Retail ※3		Solutions	Global Total	China Area	Mekong Area	Malay Area	Consol. Total
	※2			※3	※2				※4
Operating Revenue	206.3	122.3		128.9	125.1	16.3	64.1	44.6	331.1
YoY※1	95%	76%		99%	121%	143%	118%	118%	103%
Change※1	-12.6	-37.6		-1.4	+21.6	+4.9	+9.8	+6.8	-9.3
Operating Profit	10.1	0.0		10.3	31.9	5.0	15.0	11.8	41.5
YoY	56%	0%		73%	118%	122%	136%	100%	94%
Change	-7.9	-4.1		-3.8	+4.8	+0.8	+4.0	-0.0	-2.6
Operating Profit Ratio	4.9%	0.0%		8.0%	25.5%	30.6%	23.4%	26.6%	12.6%
Change※1	-2.5pt	-2.6pt		-2.9pt	-0.6pt	-5.3pt	+3.1pt	+4.9pt	-0.1pt
						Profit attributable to owners of parent			22.3
						Change			+0.0

※1 YoY and YoY change comparisons between Japan and consolidated are calculated based on the results of the current FY before the application of the revenue recognition standards and the results of the same period of the previous year

※2 Total of Domestic and Global figures amounts after elimination of transactions between segments

※3 Retail is a personal-centric business, Solutions is a business that is central to merchant

※4 Include Holding company, Shared functions and elimination of Consolidated adjustments

Reference: The impact on earnings due to securitization ¥8.0 bn(-¥1.2 bn compared to the same period of the previous year)

Transaction volume and the status of outstanding receivables of Global business

- Strengthen sales promotion measures and continue to expand transaction volume and operating receivables balance in each area

(Unit : billions of yen)		China Area (Hong Kong)			Mekong Area (Thailand)			Malay Area			Global Business		
		YoY (Change)	Comparison with the 1H of 2019 (Change)		YoY (Change)	Comparison with the 1H of 2019 (Change)		YoY (Change)	Comparison with the 1H of 2019 (Change)		YoY (Change)	Comparison with the 1H of 2019 (Change)	
Credit card	Transaction volume	129.8	151%	151%	197.7	153%	107%	36.9	122%	81%	364.4	149%	115%
	Outstanding Receivables	71.8	+22.9	+19.4	165.9	+40.7	+31.8	23.0	+2.3	-1.5	260.8	+65.9	+49.8
Installment finance	Transaction volume	-	-	-	13.4	123%	53%	76.2	168%	106%	89.7	159%	92%
	Outstanding Receivables	-	-	-	27.4	+4.7	+6.5	224.9	+45.5	+46.2	252.3	+50.2	+52.8
Personal loans	Transaction volume	17.1	176%	302%	70.5	130%	82%	34.3	208%	113%	121.9	152%	100%
	Outstanding Receivables	20.4	+8.3	+5.3	173.2	+24.2	+4.7	86.7	+22.6	+14.8	280.4	+55.3	+25.1
Total	Transaction volume	147.0	154%	160%	281.7	145%	95%	147.4	160%	100%	576.1	151%	108%
	Outstanding Receivables	92.3	+31.2	+24.7	366.6	+69.6	+43.2	334.6	+70.5	+59.6	793.6	+171.5	+127.7

Q3 Results by Area

(Unit : billions of yen)

		Transaction volume	FY2021 Q3 Compared to same period	FY2019 Q3 Compared to same period ^(※)	Balance of receivables (Before securitization)	Increase or decrease at the beginning from the FY	Change in the previous quarter
Domestic	Credit card	5,062.1	109%	107%	1,631.9	+154.0	+75.7
	Card shopping	4,807.2	109%	109%	1,231.4	+150.9	+64.7
	Cash advance	254.9	106%	81%	400.5	+3.1	+10.9
	Installment finance	147.6	104%	81%	729.4	+47.0	+36.4
	Housing loans	413.9	88%	99%	3,314.1	+180.8	+44.0
	Others	-	-	-	959.7	+33.7	+7.9
	Total	-	-	-	6,635.3	+373.3	+131.4
Global	Credit card	364.4	149%	115%	260.8	+54.6	+15.1
	Card shopping	262.5	145%	123%	132.2	+25.3	+6.9
	Cash advance	101.9	161%	99%	128.6	+29.3	+8.2
	Installment finance	89.7	159%	92%	252.3	+43.5	+4.7
	Personal loans	121.9	152%	100%	280.5	+42.0	+8.3
	Total	-	-	-	793.7	+140.3	+28.2
Consol. Total		-	-	-	7,475.6	+513.6	+161.0

※The ratio of the same period in the FY2019 in Japan is calculated in the same period as the current FY because the accounting period is different.

Cardholders	Consolidated		Domestic		Global	
		Diff from beginning of the FY		Diff from beginning of the FY		Diff from beginning of the FY
Results (unit : million copies)	48.10	+0.79	30.52	+0.43	17.59	+0.36

【Domestic】

- 1.36 million new card members (YoY +0.17 million cards)
- 18.20 million cards with contactless payment function issued (YoY +5.42 million cards)

【Global】

- Malaysia e-money membership 2.34 million (YoY +0.18 million cards)

FY2022 3Q Global Business Performance (Local currency)

		FY2021 3Q		FY2022 3Q	
		Results	YoY	Results	YoY
AEON CREDIT SERVICE (ASIA) (HKD'000)	Revenue	770,280	92%	887,361	115%
	Profit before tax	291,839	106%	299,664	103%
	Profit for the period	243,256	106%	250,314	103%
AEON THANA SINSAP (THAILAND) (THB'000)	Total Revenues	15,597,012	96%	16,779,572	108%
	Profit before income tax	3,405,121	108%	4,040,586	119%
	Net profit for the period	2,636,644	109%	3,225,288	122%
AEON CREDIT SERVICE (M) Berhad (MYR'000)	Revenue	1,161,912	101%	1,207,581	104%
	Profit before tax	482,031	281%	417,165	87%
	Profit for the period	342,039	284%	322,345	94%

※各社発表資料より抜粋。連結の数値を表示。

FY2022 3Q Global Business Performance (Yen conversion)

AEON Credit Service (Asia) Co., Ltd.	FY2021 3Q	FY2022 3Q	
	Results	Results	YoY
Operating income	10.9	15.1	138%
Operating profit	4.1	5.1	123%
Net income	3.4	4.2	123%

(Unit : billions of yen)

Exchange rates: HKD 1
 • FY2021 3Q : ¥14.22
 • FY2022 3Q : ¥17.05

Fiscal period
 : 1/3/2022 to 30/11/2022

AEON THANA SINSAP (THAILAND) PCL.	FY2021 3Q	FY2022 3Q	
	Results	Results	YoY
Operating income	53.4	63.4	119%
Operating profit	11.6	15.2	131%
Net income	9.0	12.1	135%

Exchange rates: THB 1
 • FY2021 3Q : ¥3.43
 • FY2022 3Q : ¥3.78

Fiscal period
 : 1/3/2022 to 30/11/2022

AEON Credit Service (M) Berhad.	FY2021 3Q	FY2022 3Q	
	Results	Results	YoY
Operating income	30.9	36.3	118%
Operating profit	12.8	12.5	98%
Net income	9.0	9.7	107%

Exchange rates: MYR 1
 • FY2021 3Q : ¥26.60
 • FY2022 3Q : ¥30.13

Fiscal period
 : 1/3/2022 to 30/11/2022

Q3 Consolidated Balance Sheet

- In the Q3 of FY2022, the balance of operating receivables, including operating loans, banking loans, and installment accounts receivable, increased by ¥488.6 bn. Provision for doubtful accounts increased by ¥5.1 bn

【Consolidated operating receivables balance】

- Balance incl. securitization : ¥7,450.6 bn (+¥488.6 bn)
in which, domestic balance : ¥6,610.3 bn (+¥348.3 bn)
in which, global balance : ¥793.7 bn (+¥140.3 bn)
- Securitized amount (Domestic only) : ¥2,499.1 bn (-¥1.3 bn)

(unit : billions of yen)

	Q3 Results	Change from beginning of FY
Cash and deposits	591.4	-147.2
Operating Loans	864.8	+ 92.2
Loan and bills discounted for banking business	2,248.0	+ 138.0
Accounts receivable – installment	1,826.8	+260.5
Allowance for doubtful accounts	-129.6	-5.1
Other Assets	1,222.1	+ 6.6
Total assets	6,623.6	+345.0

	Q3 Results	Change from beginning of FY
Deposits	4,332.5	+154.0
Accounts payable-trade	279.2	+ 54.0
Interest-bearing debt (excl. deposits)	1,233.3	+145.8
Other liabilities	242.8	-35.4
Total liabilities	6,088.0	+318.4
Total net assets	535.6	+26.6
Total liabilities and net assets	6,623.6	+345.0

Full Year Allowance for Doubtful Accounts and Allowance for Loss on Refund of Interest Received by Segment

(Unit : billions of yen)

	Retail	Solutions	Domestic Total
Allowance for doubtful accounts, balance at beginning of period	5.4	53.8	58.8
Provision of allowance for doubtful accounts	-0.3	13.4	13.0
Write-off of doubtful accounts (including transferred debt)	1.2	13.5	14.7
Allowance for doubtful accounts balance at end of period	3.9	53.6	57.1

(Subsidiaries in domestic) AEON Credit Service : 35.7, AEON Bank : 3.9, AEON Product Finance : 7.8, AEON Housing Loan Service : 1.2

	FY2021 Q3	FY2022 Q3
Beginning of period	5.7	6.4
Provision	0.0	0.0
Interest refunded	2.6	2.4
End of period	3.0	3.9

	China Area	Mekong Area	Malay Area	Global Total	Consolidated
Allowance for doubtful accounts, balance at beginning of period	2.6	39.9	22.2	64.9	124.5
Provision of allowance for doubtful accounts	2.3	20.1	10.9	33.4	46.5
Write-off of doubtful accounts (including transferred credit)	1.5	17.8	7.3	26.7	41.4
Allowance for doubtful accounts, balance at end of period	3.5	42.2	25.8	71.6	1,29.6

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.



AEON Financial Service