

# FY2022 First Quarter IR Presentation Materials

5 July, 2022



AEON Financial Service Co., Ltd.

Stock Listing: Tokyo Stock Exchange, Prime Market

Code No: 8570

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## 1. Financial Highlights

### The highlights of the consolidated results

- Consolidated results in the 1Q, excluding the impact of the application of accounting standards for revenue recognition increased income and profit compared to the 1Q of FY2019 before the Covid-19 pandemic.
- In the domestic business, the credit card business is strong, and business results are progressing as planned.
- In the international business, in addition to the recovery of the top line, continuous productivity improvement increased revenue and profit year-on-year.

**Consolidated**  
**Operating revenue** (YoY) (compared to the 1Q of FY2019 )  
**¥106.9** bn (88%)

[comparison with before the application of accounting standards for revenue recognition] (94%) (103%)

**Operating profit**  
**¥15.2** bn (74%) (112%)

**Profit attributable to owners of parent**  
**¥7.9** bn (68%) (110%)

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

**Domestic** (YoY) (compared to the 1Q of FY2019 )  
**¥68.2** bn (78%)

(88%) (102%)

**¥2.7** bn (30%) (49%)

**Global** (YoY) (compared to the 1Q of FY2019 )  
**¥38.9** bn (111%) (104%)

**¥12.8** bn (107%) (152%)

※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**

**24.0%**

**Consolidated operating profit**

**25.5%~27.8%**

**Profit attributable to owners of parent**

**27.3%~29.3%**

## 2. Overview of Domestic Business

### Breakdown of operating profit in the domestic business year-on-year

- In the credit card business, in addition to the recovery in credit card shopping transaction volumes, the balance of revolving credit and cash advance receivables bottomed out and reversed compared to the beginning of the FY. Improved bad debt expenses, resulting in an increase of ¥400 million in operating profit from the previous FY.
- Although there are impacts such as the securitization of receivables (-¥2.5bn) in the previous year, all of them have already been factored into the quarterly plan.

(Unit : billions of yen)

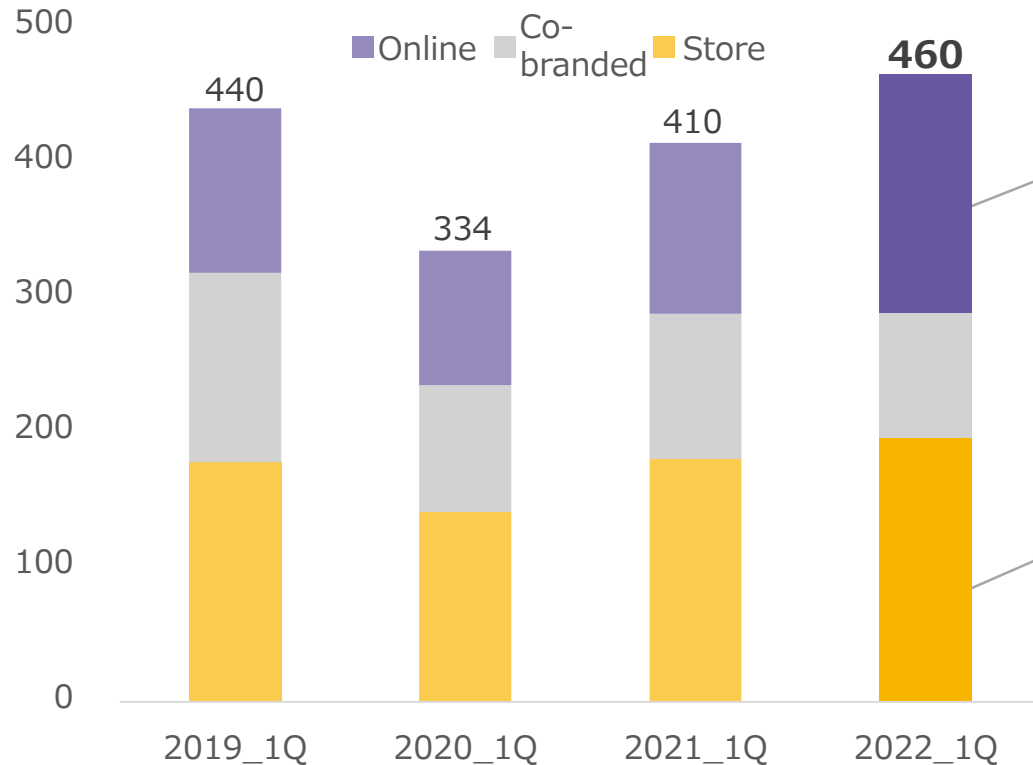
	Contents	YoY Change	
Re-growth of credit card business	<b>■ Card Shopping Recovery</b> -Transaction Volume: 110%(YoY) / Revolving balance: +¥1.0bn(YoY), +¥3.0bn compared to the beginning of the FY <b>■ Bottoming out of the cash advance slump</b> -Transaction Volume: 101%(YoY) / Balance: -¥27.0bn(YoY), +¥1.4bn compared to the beginning of the FY <b>■ Promote settlement of long-term delinquent loans and improve debt-related costs</b>	Shopping revenue	+2.0
		Increase in points and sales promotion expenses	▲1.1
		Cash advance revenue	▲1.0
		Reduction of doubtful debt-related expenses	+0.5
		<b>Operating Profit</b>	<b>+0.4</b>
Growth investment in insurance biz	<b>■ AEON Allianz Life Insurance</b> -Operating revenue: ¥2.9bn, Operating expenses associated with full-scale business development of ¥1.1bn	<b>Operating Profit</b>	<b>▲1.1</b>
Other factors affecting changes from previous year	<b>■ Securitization of receivables</b> -The previous FY, held in the 1Q. This FY, will be conducted after the 2Q The amount of implementation is planned to be the same as previous FY <b>■ Housing loan fees</b> -Control the amount of execution while assessing the interest rate situation <b>■ Strengthening IT Investments</b> -Next credit card system, investment in business efficiency, etc. <b>■ Strengthening Internet Business and DX Human Resources</b> - Strengthen HR resources who are well-versed in future priority areas	<b>Operating Profit</b>	<b>▲2.5</b>
			<b>▲1.1</b>
			<b>▲1.3</b>
			<b>▲0.7</b>
		<b>Total</b>	<b>▲6.3</b>

## Expansion of the number of AEON Card members in the domestic businesses

- By changing the point system, the attractiveness of credit card benefits has been improved.  
Re-expansion of membership at store
- In addition to the recovery in enrollment at store, the number of members increased through the strengthening of online recruitment initiatives

(Unit :  
thousand of  
members)

■ Status of the number of new members and the enrollment ratio by channel



### Online recruitment

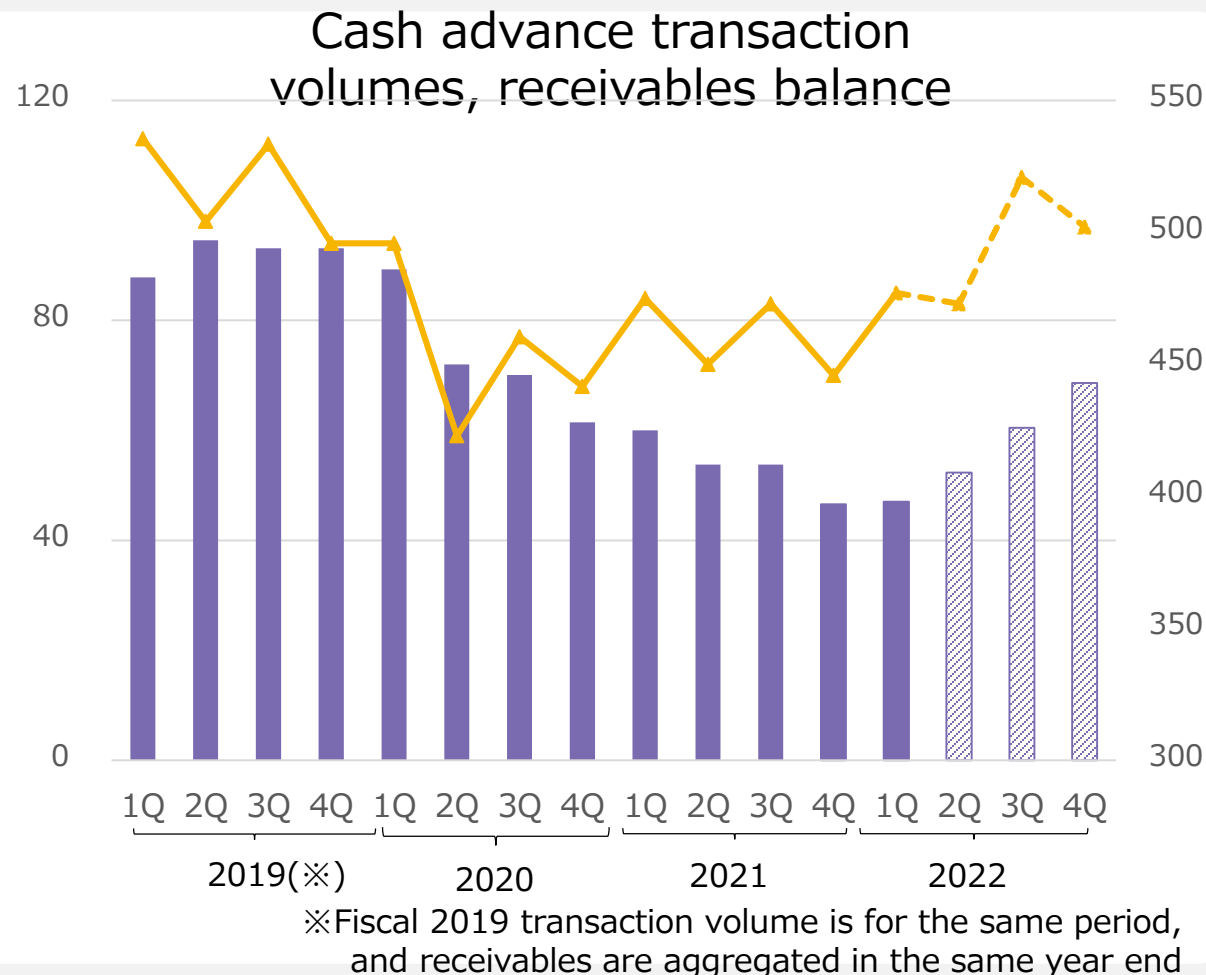
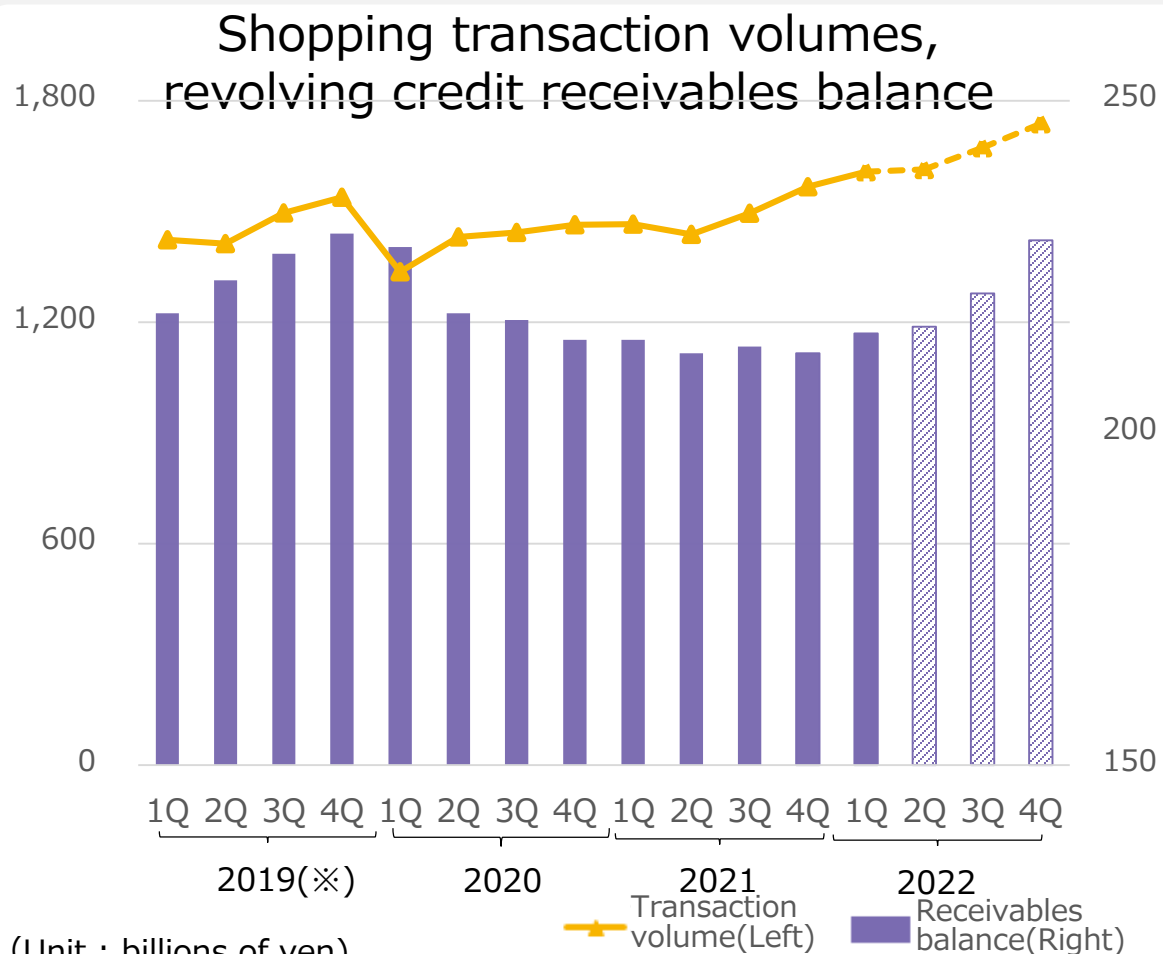
Focusing on web recruitment including measures such as instant issuance of credit cards via apps. After the Covid-19 pandemic, online touch points also became strengths

### Recruitment at store (real)

Against the backdrop of the revitalization of the flow of people, the no.of members at stores is on a recovery trend Demonstrate the strengths of the AEON Group, which actually has touch points

## Domestic credit card receivables

- Shopping use recovers ahead of time as consumption revitalizes
- Shopping volume has recently grown by double digits yoy. Revolving credit balance expands again
- A full-fledged recovery in cash advance transaction volume is expected in the 2H or later, while the balance of cash advance receivables recovers somewhat later



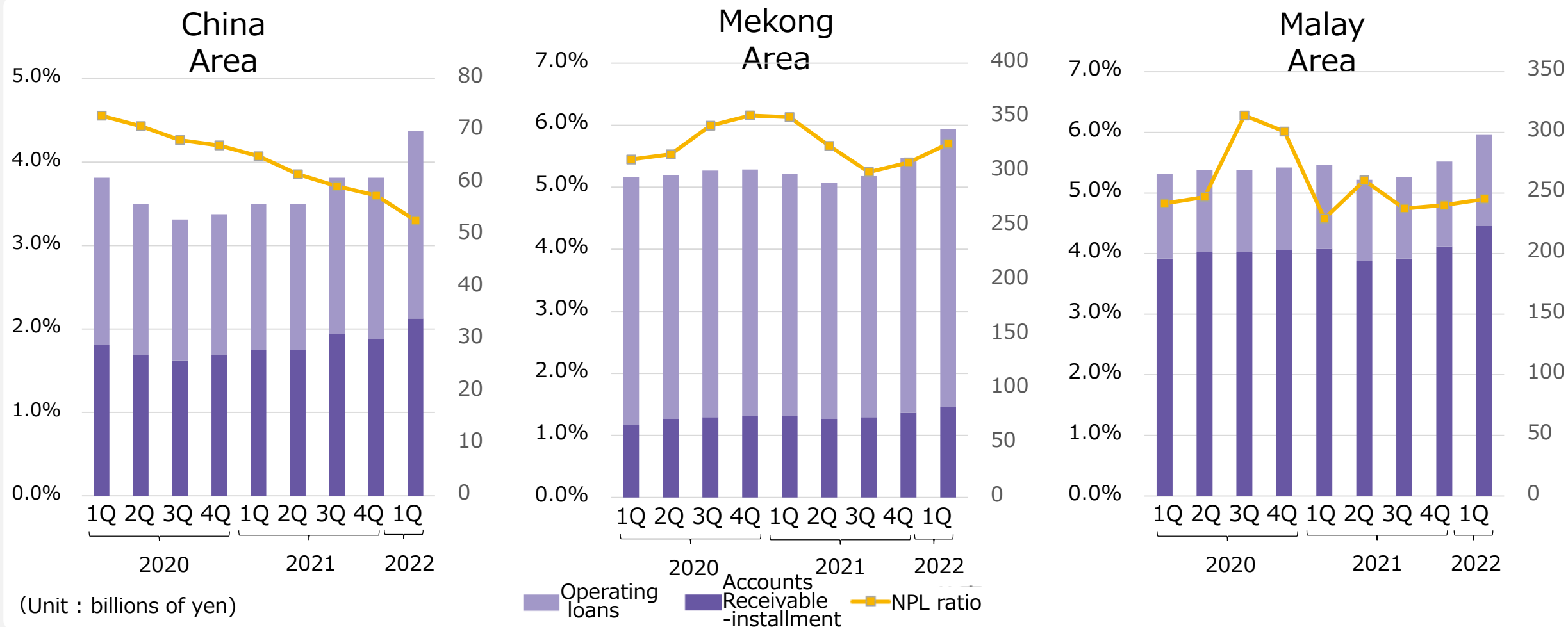
### 3. Overview of Global Business

## Transaction volume and the status of outstanding receivables of the global business

		China Area (Hong Kong)			Mekong Area (Thailand)			Malay Area			Global Business		
Major Initiatives in Each Area		<b>■ Leveraging Group Synergies</b> Introduced acquirer to all AEON stores in FY, expanding volumes <b>■ Aggressive Credit Policy</b> Strengthen sales of lump-sum loans, etc. to members who use other companies			<b>■ Promoting Digitalization</b> Promotion of online card payments, provision of new loan products <b>■ Advancement of Screening</b> Expand the cap by assessing credit risk mainly from excellent customers			<b>■ Strengthening collaboration w/marchants &amp; affiliated stores</b> Conducted sales promotion plans w/motorcycle manufacturers and dealers in Malaysia <b>■ Digitization of Screening</b> Automation of examination by AI in Indonesia			Total		
		(Unit : billions of yen)		YoY change	QoQ change	YoY change	QoQ change	YoY change	QoQ change	YoY change			
Credit card	Transaction volume	<b>33.4</b>	123%	101%	<b>62.5</b>	162%	116%	<b>12.6</b>	117%	108%	<b>108.6</b>	142%	110%
	Outstanding Receivables	<b>55.9</b>	+10.5	+7.0	<b>149.9</b>	+27.6	+14.0	<b>21.3</b>	▲0.06	▲0.01	<b>227.1</b>	+27.6	+14.0
Installment finance	Transaction volume	-	-	-	<b>2.8</b>	62%	86%	<b>23.8</b>	120%	127%	<b>26.6</b>	109%	121%
	Outstanding Receivables	-	-	-	<b>23.1</b>	▲0.2	+0.4	<b>202.9</b>	+16.6	+16.8	<b>226.0</b>	+14.5	+17.3
Personal loans	Transaction volume	<b>4.8</b>	193%	111%	<b>23.0</b>	141%	119%	<b>8.7</b>	109%	76%	<b>36.6</b>	136%	104%
	Outstanding Receivables	<b>15.6</b>	+4.7	+2.2	<b>167.2</b>	+15.3	+11.5	<b>74.8</b>	+8.1	+5.5	<b>257.7</b>	+28.2	+19.3
Total	Transaction volume	<b>38.2</b>	129%	102%	<b>88.4</b>	148%	115%	<b>45.2</b>	117%	108%	<b>171.9</b>	134%	110%
	Outstanding Receivables	<b>71.5</b>	+15.2	+9.2	<b>340.3</b>	+40.9	+26.0	<b>299.1</b>	+24.7	+22.4	<b>711.0</b>	+80.9	+57.7

## Outstanding receivables and NPL ratio of the global business

- The pace of increase in operating loans and accounts receivable-installment accelerates in each area, and the outstanding balance of receivables exceeds before the Covid-19 pandemic levels
- Continued efforts to improve the quality of receivables have kept the NPL ratio stable at a low level



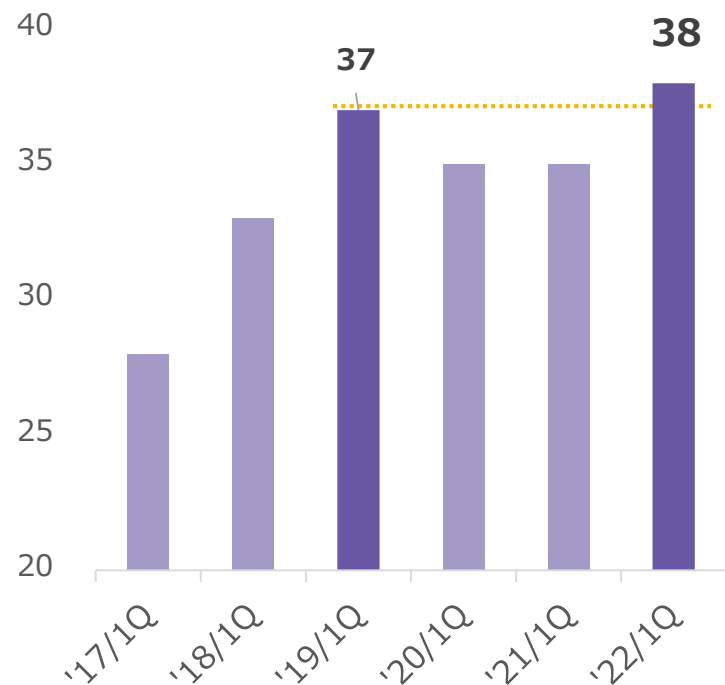


## Transforming the business model of the global business

- Operating revenue increased due to recovery in transaction volume and outstanding receivables, recovering to before the Covid-19 levels
- Operating profit moves away from labor-intensive models by promoting digitalization, mainly in Thailand and Malaysia
- Shift from investment in efficiency during the Covid-19 pandemic to investment in growth in the future to accelerate profit growth

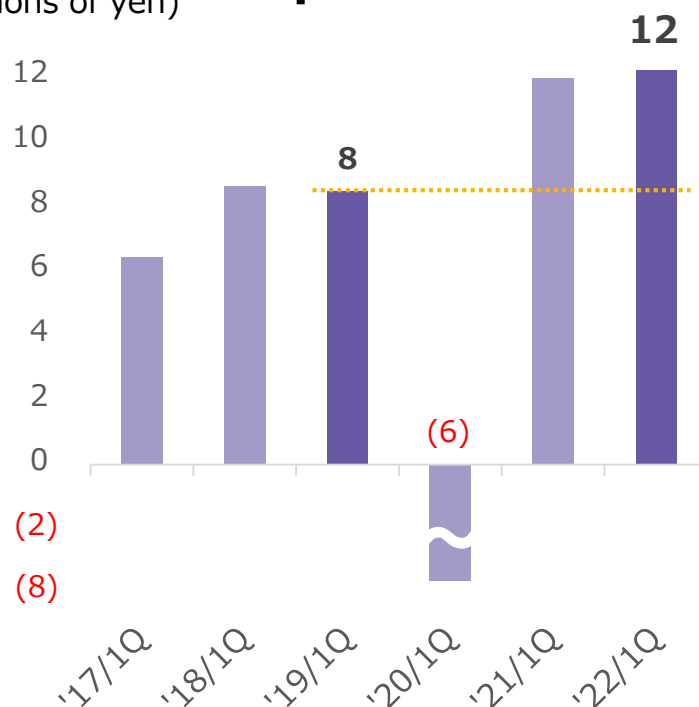
### Operating revenue

(Unit : billions of yen)



### Operating profit

(Unit : billions of yen)



### Operating expense ratio (compared to operating income)

	1Q	compared to the 1Q of FY2019
Selling, general and administrative expense ratio excluding bad debt expenses	37%	▲3pt
Labor cost ratio	13%	▲2pt

# **Priority Initiatives**

## DX Initiatives (Digital Financial Inclusion)

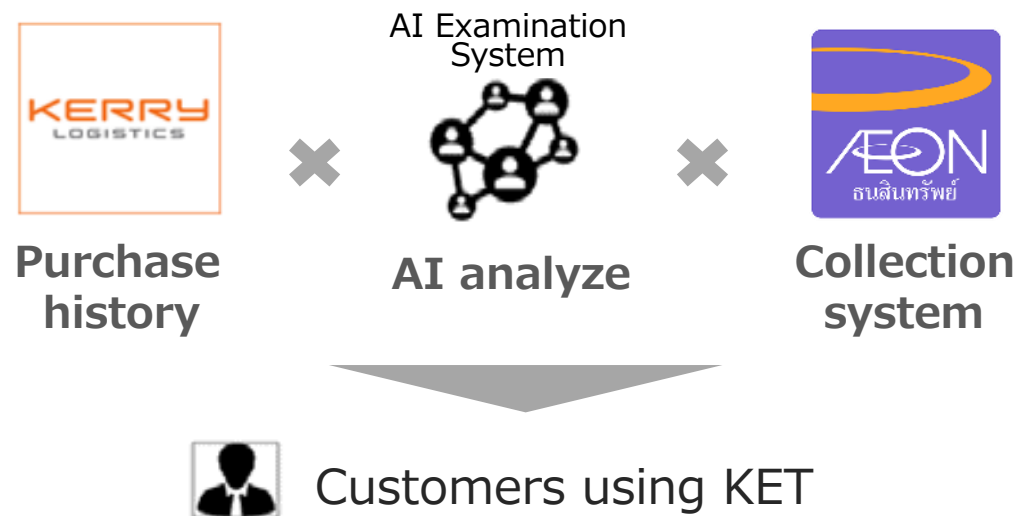
### Acquired “Digital Bank” license (Malaysia)

Licensed Consortium	
AFS ACSM MoneyLion	Comprehensive Financial Services Retail non-bank (Local No.1) U.S. Digital Bank (U.S. No.2)
Axiata RHB	Major local telecommunications subsidiary Ranked 4th among local commercial banks
SEA YTL	Shopee, major online game and EC company Local conglomerates (telecommunications, construction, power generation, etc.)
GXS Bank Kuok Brothers	Joint venture between Grab and Singapore’s telecommunications giant Singtel (Singapore Digital Bank) Investment firm of local millionaire Lobert Kuok
KAF Investment Bank Carsome Ringgit Plus(RGP) Moneymatch(MM)	Local Investment Bank Local Used Car Trading Online Platform Local Financial Intermediary Aggregator Local Money Transfer Platform

- 5 of the 29 entries were issued digital bank licenses
- Prepare for commercialization by the end of FY23

### Acquired "Nano Finance" license (Thailand)

- AI analyzes the sales and purchase history of sole proprietors using local delivery companies (Kerry Express Thailand). Calculate credit score and offer loans



## DX Initiatives (Domestic Business)

### Reserve investment through AEON Card settlement

- Launched credit card reserve function for the first time in Japan in a discretionary investment service
- While accumulating WAON POINT by reserving by AEON Card settlement, discretionary investment service can be used
- AEON Bank formed a business alliance with WealthNavi in 2018. Expansion of the number of persons eligible to use the service from savings account members to AEON Card members

**WealthNavi for AEON CARD**

WAON POINTが貯まる!

クレカ積立で  
おまかせ資産運用

2022年7月5日から提供スタート

※画面はイメージです。

資産クラス	戸数	総額
日本株	1,000	1,000,000
日本株	4,000,000	4,000,000

**WealthNavi for AEON CARD**

クレカ積立でWAON POINTがたまる!

抽選で500名 最大10,000 WAON POINT

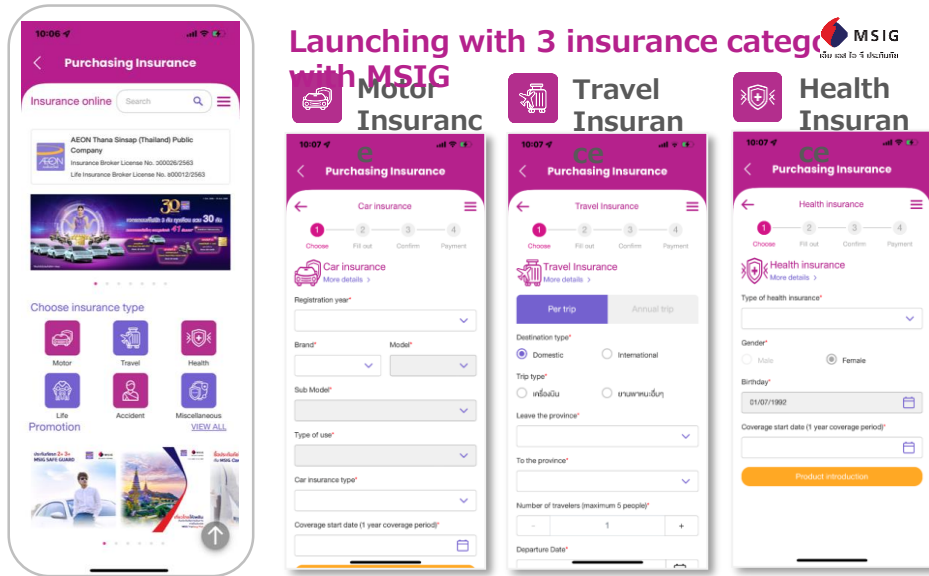
2022年  
7月5日火  
9月29日木

AEON CARD  
1234 5678 9012 3456  
AEON MAG-00/00  
SAHAKO AEON

## Health & Wellness Initiatives

### Expanding real and digital insurance sales channels (Thailand)

- Acquisition of insurance intermediary qualification by card recruitment staff progresses, promoting cross-selling insurance sales
- Obtained permission from the Insurance Commission of Thailand to sell insurance online and started selling insurance on the app



Launching with 3 insurance categories with MSIG

### Full-scale development of insurance business (Malaysia)

- Achieved profitability in the first quarter results
- Acquired the business of an insurance broker with no restrictions on the no. of companies handled. In addition to expanding the no. of products handled, strengthen product development from the customer's perspective.
- In addition to existing customers such as credit card members, provide services to customers in the AEON Living Zone

### Promotion of health promotion insurance (Domestic)

- AEON Allianz Life Insurance's whole life medical insurance "Genki Passport" is being gradually expanded at banks and insurance agents outside the Group, in addition to AEON Bank and AEON Insurance Services.

## Initiatives for post-pandemic (Global)

### 30th anniversary of company establishment (Thailand)

- Since its establishment, expanded its business through a strategy of alliances with leading external companies
- As an anniversary project, implemented initiatives tailored to customer behavior and revitalization of consumption



Electric Vehicle Presentation Ceremony

### AEON Card WAKUWAKU issuance started (Hong Kong)

- Targeting people in 20s to 40s who have a high desire to consume, AEON Card with cashback benefits is issued
- The return rate is 0.5%, compared to the high reduction rate of 6% for online use, 3% for Japan use, and 1% for food and beverage use  
Against the backdrop of the easing of travel restrictions and the ongoing depreciation of the yen, will aim to capture the growing demand for travel



 Online Spending	 Japan Spending	 Local Food & Beverage Spending
6% Cash Rebate	3% Cash Rebate	1% Cash Rebate
 Other Spending	 Birthday Privilege	 AEON Stores Spending Privilege
0.5% Cash Rebate	Overseas Spending Extra 4% Cash Rebate	2 <sup>nd</sup> and 20 <sup>th</sup> Thanksgiving Days 5% discount



## Initiatives for post-pandemic (Domestic)

### Responding to changes in Consumer Activity

- In addition to the demand established by the pandemic, plan to use the service in line with the recovery of demand for travel and leisure



### Responding to the Growing Awareness of Livelihood Defense

- In response to rising prices and utility costs, implemented point-doubling projects centered on daily necessities and campaigns to use utility bills.



### Expand AEON Pay usage

	1Q	After 2Q
<b>AEON Group</b>	Origin Toshu (Food), Max Valu Kanto	Mega Sports, Renovation Studio
<b>Outside the Group</b>	Round One, AOKI, ART Moving Company	Coffee shops, accommodations, etc.

## ESG Initiatives (TCFD Compliance, External Evaluation)

### Disclosures based on the 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.

#### ■ 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

HP : <https://www.aeonfinancial.co.jp/en/activity/environment/climate/>

### ESG External Evaluation

- Promote ESG initiatives in Japan and overseas, improve external evaluations, and aim to become a constituent stock in major ESG indexes.

#### ■ AFS

- Selected as a constituent stock of the FTSE Blossom Japan Sector Relative Index, one of the ESG indices adopted by the GPIF



**FTSE Blossom  
Japan Sector  
Relative Index**

#### ■ ACS Malaysia

- Highest ESG ranking by FTSE with a 4-star rating
- In addition, selected for the FTSE 4Good Bursa Malaysia Index, which consists of 200 companies with the same rating, for the 8th consecutive year since 2015



**FTSE4Good**



## ESG Initiatives (Domestic: Responding to inheritance and asset management needs)

### Expansion of inheritance-related services

- Started handling inheritance-related business with partner companies (Yamada Escrow Trust) , in response to inheritance needs in an aging society

#### (1) Testamentary trust work

Consultation on wills, advice on preparation and custody of wills, and execution of wills in one lump sum

#### (2) Heritage arrangement work

Acting on behalf of inheritance division procedures, preparation of division agreements, support for documentation at the time of heir agreement, etc.

- Started providing services at the relocated AEON Bank Tokyo Yaesu Branch. Taking advantage of merits such as good access to stores and friendliness, plan to sequentially expand to stores nationwide.

### Provision of asset management services

- Even those who do not have a lot of investment experience can invest with peace of mind as a product that sells the third pecuniary trust “Rimawari-no Kenjin”
- Backed by financial claims such as high-rated mortgage loans, operate with profitability that exceeds yen deposits while considering safety
- Matching demand for funds (using housing loans) with investment demand (stable yield)

**利回りの賢人**  
実績配当型合同運用指定金銭信託

お申込期限  
**5/24(月)**  
まで!

信託期間	年	年	年
1年	0.12%	0.15%	0.20%
	(税引後年0.095%)	(税引後年0.119%)	(税引後年0.159%)

※実績配当型の金銭信託であり、元本および予定配当率を保証するものではありません。

## FY2022 earnings forecast, dividend forecast (unchanged)

- In FY2022, made investments to expand our business operations and accumulate operating receivables. Expected performance at the same level as FY2021
- In view of uncertainties in the economic environment, such as interest rates, foreign exchange rates, and price rises, operating profit and net profit will continue to be disclosed in a range
- The annual dividend per share will be increased by 4 yen from the ordinary dividend of 46 yen in FY2021 and will be planned at 50 yen per year

### Consolidated

**Operating revenue**<sup>(※1)</sup> (YoY)  
**¥445.0bn** (101%)

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

**Profit attributable to owners of parent**  
**¥27.0bn** (89%)  
 ~ **¥29.0bn** (96%)

### Domestic

(YoY)  
**¥290.0bn** (96%)

**¥21.0bn** (81%)  
 ~ **¥23.0bn** (88%)

### Dividends per share

( Increase in dividends )  
 Annual **¥50**(+ ¥4)  
 Interim : **¥20** (+¥3)  
 Year-end : **¥30** (+¥1)

### Global

(YoY)  
**¥155.0bn** (112%)

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

### Payout ratio

**37.2%**  
 ~ **40.0%**

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

# **APPENDIX**

## 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 the FY2022 1Q, operating revenue and operating expenses decreased by ¥8.2 bn compared to before the standards were applied
- Mainly it is a numerical recombination of domestic business, and there is no change in global business

### FY2022 1Q Results

(unit : millions of yen)

#### Before applying the standard

#### After applying the standard

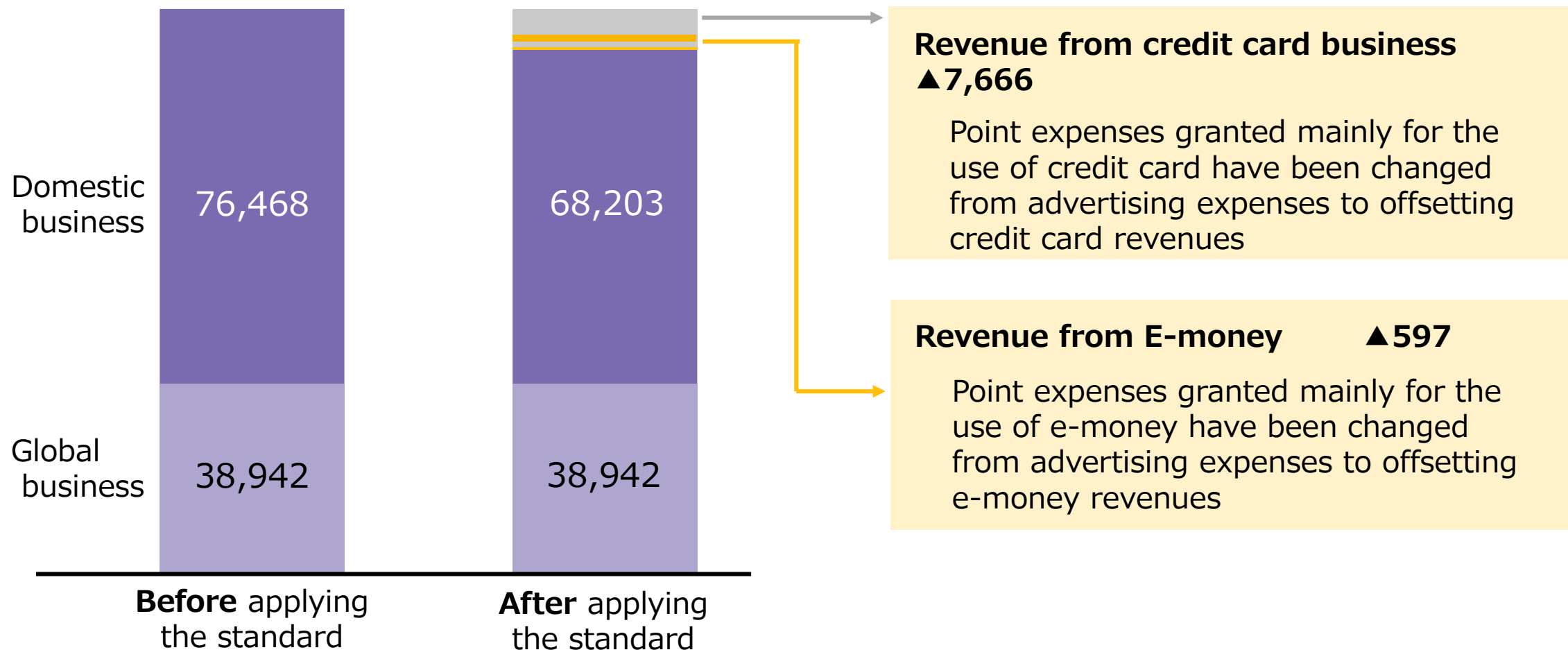
	Consolidation	Domestic	Global		Consolidation	Domestic	Global	Difference
Operating Revenue	<b>115,187</b>	<b>76,425</b>	38,942		<b>106,965</b>	<b>68,203</b>	38,942	<b>▲8,222</b>
Operating Expenses	<b>99,946</b>	<b>73,675</b>	26,094		<b>91,682</b>	<b>65,453</b>	26,094	<b>▲8,222</b>
Operating Profit	15,283	2,749	12,848		15,283	2,749	12,848	±0
Net Profit	7,917				7,917			±0

## Impact of the application of the accounting standard on revenue recognition

- In the FY2022 1Q, domestic card shopping revenues of ¥7.6 bn and domestic e-money revenues of ¥0.5 bn were affected
- Advertising expenses also decreased by the same amount, and there was no impact on operating profit

### FY2022 1Q Operating Revenue

(unit : millions of yen)



## 1Q Results by Segment

(Unit : billions of yen)

	Domestic Total ※1			Global Total ※1			Consol. Total ※3	
	Retail ※2	Solutions ※2		China Area	Mekong Area	Malay Area		
<b>Operating Revenue</b>	<b>68.2</b>	<b>41.0</b>	<b>42.0</b>	<b>38.9</b>	<b>4.6</b>	<b>20.2</b>	<b>14.0</b>	<b>106.9</b>
YoY※4	<b>88%</b>	<b>84%</b>	<b>98%</b>	<b>111%</b>	<b>123%</b>	<b>111%</b>	<b>106%</b>	<b>94%</b>
Change※4	△10.8	△9.5	△1.0	+3.7	+0.8	+2.0	+0.7	△6.9
<b>Operating Profit</b>	<b>2.7</b>	<b>0.3</b>	<b>2.5</b>	<b>12.8</b>	<b>1.5</b>	<b>5.2</b>	<b>6.1</b>	<b>15.2</b>
YoY	<b>30%</b>	<b>7%</b>	<b>55%</b>	<b>107%</b>	<b>94%</b>	<b>108%</b>	<b>111%</b>	<b>74%</b>
Change	△6.3	△3.8	△2.0	+0.8	△0.1	+0.3	+0.6	△5.4
<b>Operating Profit Ratio</b>	<b>4.0%</b>	<b>0.7%</b>	<b>6.0%</b>	<b>33.0%</b>	<b>33.0%</b>	<b>25.7%</b>	<b>43.5%</b>	<b>14.3%</b>
前年同期差※4	△6.8pt	△6.5pt	△4.7pt	△1.0pt	△10.2pt	△0.8pt	+2.0pt	+3.7pt
<b>Profit attributable to owners of parent</b>							<b>7.9</b>	
<b>Change</b>							<b>△3.7</b>	

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

※2 Retail is a personal-centric business, Solutions is a business that is central to merchants

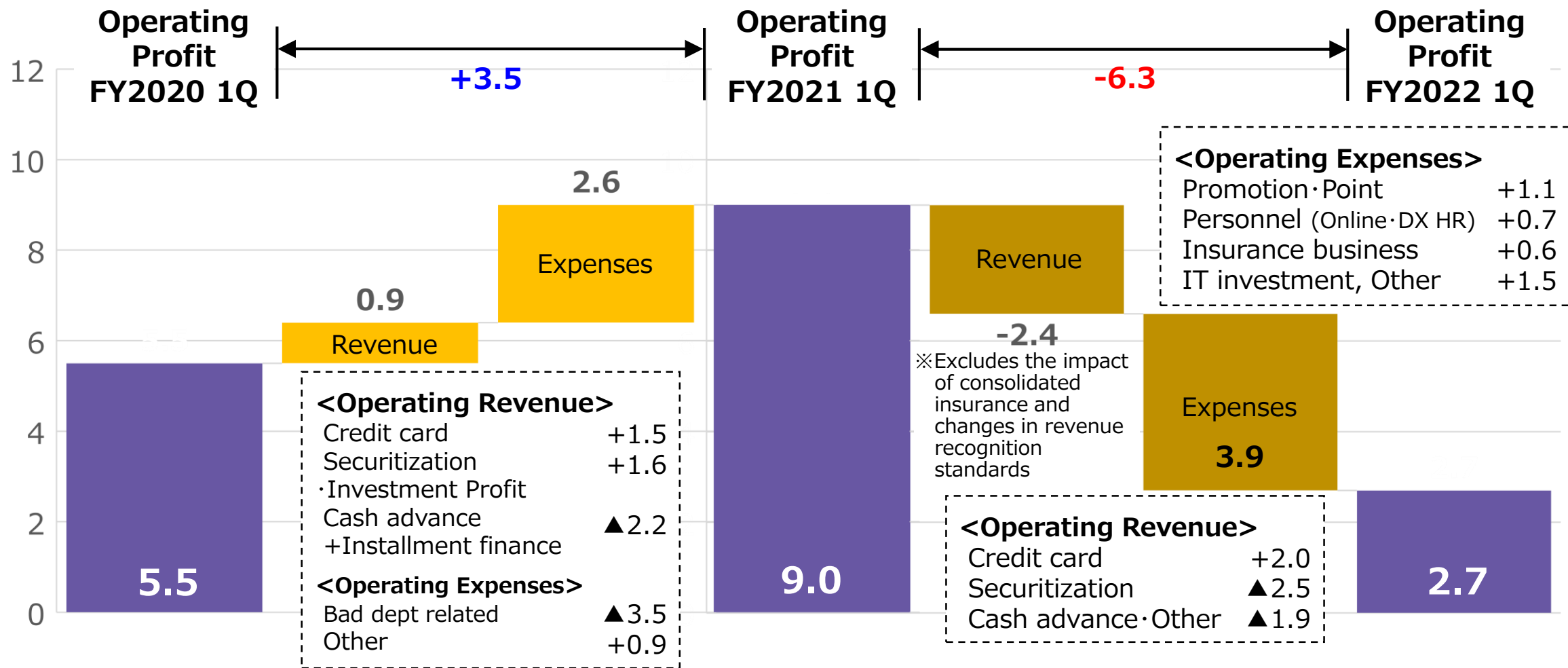
※3 Include Holding company, Shared functions and elimination of Consolidated adjustments

※4 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.

**Reference: In the FY2022 1Q, no securitization performed (The impact on earnings due to securitization in the FY2021 1Q is ¥2.5 bn)**

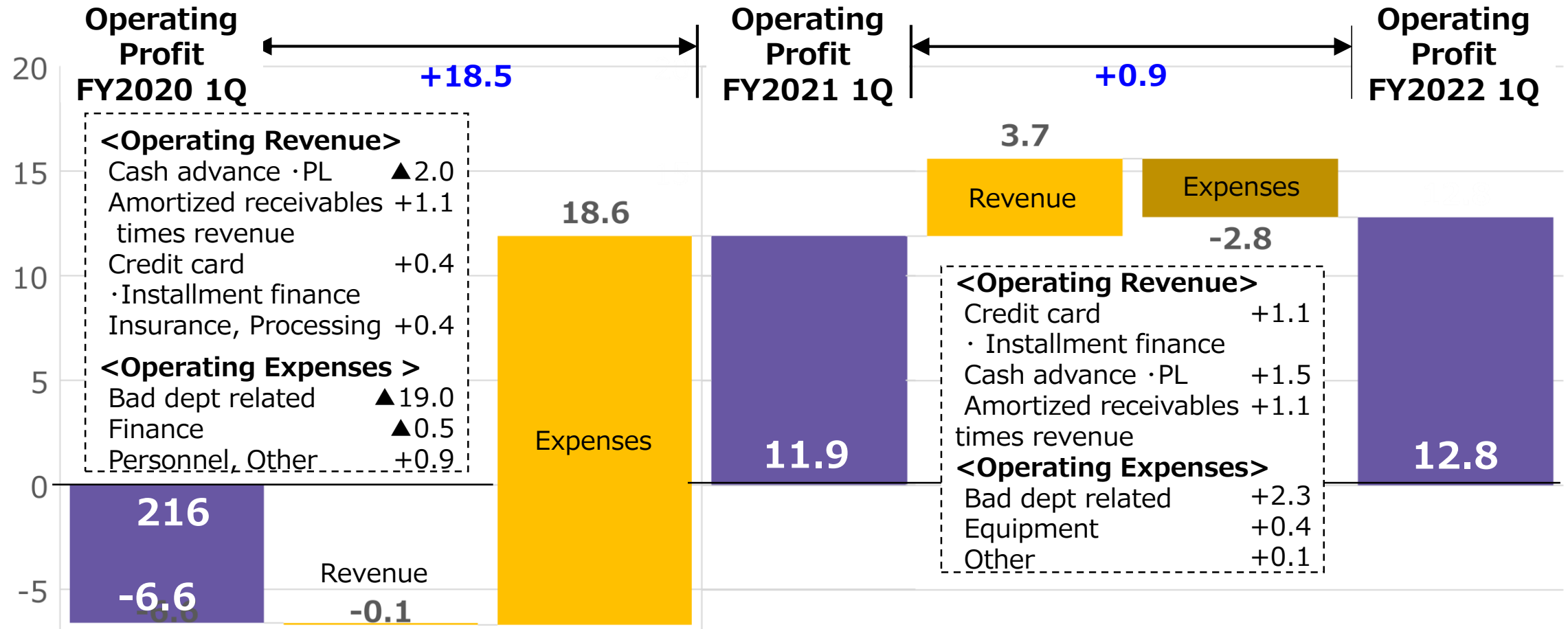
# Operating profit in the domestic business

(unit : billions of yen)



# Operating profit in the global business

(unit : billions of yen)





## 1Q Results by Area

(unit : billions of yen)

		Transaction volume	FYFY2021 1Q Compared to same period	FYFY2019 1Q Compared to same period <sup>(※)</sup>	Balance of receivables (Before securitization)	Increase or decrease at the beginning from the FY	Change from FY2021 1Q
Domestic	Credit card	1,694.3	109%	110%	1,577.5	+99.6	+61.2
	Card shopping	1,608.6	110%	113%	1,178.6	+98.1	+88.3
	Cash advance	85.6	101%	76%	399.8	+1.4	△27.0
	Installment finance	50.2	99%	79%	729.4	+4.7	2.2
	Housing loans	155.1	75%	89%	3,232.3	+98.9	+281.4
	Others	-	-	-	908.6	△17.3	+15.0
	Total	-	-	-	6,448.0	+186.0	+359.9
Global	Credit card	108.6	142%	102%	227.2	+21.0	+38.1
	Card shopping	77.8	135%	109%	115.9	+9.0	+18.8
	Cash advance	30.7	162%	88%	111.3	+12.0	+19.2
	Installment finance	26.6	109%	85%	226.0	+17.3	+14.5
	Personal loans	36.6	136%	85%	257.7	+19.3	+28.2
	Total	-	-	-	711.0	+57.7	+80.9
Consol. Total		-	-	-	7,205.2	+243.2	+441.2

※The ratio of the same period in the FY2019 1Q 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)	47.56	+0.24	30.22	+0.13	17.34	+0.11

**【Domestic】**

- 0.46 million new card members (YoY +0.05 million cards )
- 15.45 million cards with contactless payment function issued (YoY +3.42 million cards)

**【Global】**

- Malaysia e-money membership 2.24 million (YoY +0.14 million cards )

## 1Q Consolidated Balance Sheet

- In the FY2022 1Q, the balance of operating receivables, including operating loans, banking loans, and installment accounts receivable, increased by ¥330.4 bn. Provision for doubtful accounts increased by ¥0.9 bn

### 【Consolidated operating receivables balance】

- Balance incl. securitization : ¥7,205.2 bn (+¥243.2 bn)  
in which, domestic balance : ¥6,448.0 bn (+¥186.0 bn)  
in which, global balance : ¥711.0 bn (+¥57.7 bn)
- Securitized amount (Domestic only) : ¥2,413.2 bn (△¥87.2 bn)

(unit : billions of yen)

	1Q Results	Change from beginning of FY
Cash and deposits	604.0	△134.7
Operating Loans	824.1	+51.5
Loan and bills discounted for banking business	2,226.8	+116.8
Accounts receivable – installment	1,728.6	+162.3
Allowance for doubtful accounts	△125.5	△0.9
Other Assets	1,207.6	△7.8
<b>Total assets</b>	<b>6,465.8</b>	<b>+187.2</b>

	1Q Results	Change from beginning of FY
Deposits	4,247.8	+69.2
Accounts payable-trade	272.5	+47.3
Interest-bearing debt (excl. deposits)	1,171.4	+84.0
Other liabilities	252.6	△25.6
<b>Total liabilities</b>	<b>5,944.5</b>	<b>+175.0</b>
<b>Total net assets</b>	<b>521.2</b>	<b>+12.2</b>
<b>Total liabilities and net assets</b>	<b>6,465.8</b>	<b>+187.2</b>

## 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	▲0.2	4.2	4.0
Write-off of doubtful accounts (including transferred debt)	0.0	4.9	4.9
Allowance for doubtful accounts balance at end of period	5.2	53.1	57.9

(Subsidiaries in domestic) AEON Credit Service : 36.7, AEON Bank : 5.2, AEON Product Finance : 7.6, AEON Housing Loan Service : 1.3

	FY2021 1Q	FY2022 1Q
Beginning of period	5.7	6.4
Provision	0.0	0.0
Interest refunded	1.0	0.7
End of period	4.6	5.6

	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	0.5	5.7	1.2	7.6	11.6
Write-off of doubtful accounts (including transferred credit)	0.3	4.0	1.3	5.7	10.6
Allowance for doubtful accounts, balance at end of period	2.8	41.7	22.1	66.7	125.5

## FY2022 1Q Global Business Performance (Yen conversion)

		FY2021 1Q		FY2022 1Q	
		Results	YoY	Results	YoY
AEON CREDIT SERVICE (ASIA) (HK\$'000)	Revenue	254,494	86%	279,059	110%
	Profit before tax	116,062	129%	98,324	85%
	Profit for the period	96,963	129%	82,663	85%
AEON THANA SINSAP (THAILAND) (BAHT'000)	Total Revenues	5,041,213	89%	5,484,649	109%
	Profit before income tax	1,439,172	237%	1,449,645	101%
	Net profit for the period	1,083,694	238%	1,158,756	107%
AEON CREDIT SERVICE (M) Berhad (RM'000)	Revenue	410,966	107%	390,571	95%
	Profit before tax	215,858	582%	215,535	100%
	Profit for the period	163,092	621%	163,069	100%

※Excerpted from each company's announcement materials. Consolidated figures are showed.

## FY2022 1Q Global Business Performance (Yen conversion)

AEON Credit Service (Asia) Co., Ltd.	FY2021 1Q	FY2022 1Q	
	Results	Results	YoY
Operating income	3.5	4.4	123%
Operating profit	1.6	1.5	95%
Net income	1.3	1.3	96%

(Unit : billions of yen)

Exchange rates: HKD 1  
 • FY2021 1Q : ¥14.03  
 • FY2022 1Q : ¥15.80

Fiscal period  
 : 1/3/2022 to 31/5/2022

AEON THANA SINSAP (THAILAND) PCL.	FY2021 1Q	FY2022 1Q	
	Results	Results	YoY
Operating income	17.6	20.1	114%
Operating profit	5.0	5.3	106%
Net income	3.8	4.2	112%

Exchange rates: THB 1  
 • FY2021 1Q : ¥3.51  
 • FY2022 1Q : ¥3.68

Fiscal period  
 : 1/3/2022 to 31/5/2022

AEON Credit Service (M) Berhad.	FY2021 1Q	FY2022 1Q	
	Results	Results	YoY
Operating income	10.8	11.2	104%
Operating profit	5.7	6.2	109%
Net income	4.3	4.7	109%

Exchange rates: MYR 1  
 • FY2021 1Q : ¥26.49  
 • FY2022 1Q : ¥28.90

Fiscal period  
 : 1/3/2022 to 31/5/2022

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