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FY2023 Third Quarter IR Presentation Material

January 11, 2024



AEON Financial Service

Stock Listing: Tokyo Stock Exchange, Prime Market

Code No: 8570

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1 Financial Results Highlights

Summary of Financial Results

(1) Despite the decline in sales and profits, business performance bottomed out

- ▷ Consolidated operating profit of ¥26.1 bn yen (YoY 63%), while transaction volume and operating receivables outstanding increased steadily
- ▷ Strengthening cost control in Japan by selecting and concentrating sales promotion measures
Overseas expenses related to bad debts tend to peak out

(2) Continue to review our business portfolio

- ▷ Promote the shift to optimal portfolio and B/S optimization based on the business environment and our Purpose
- ▷ Announced the transfer of its installment business.
Concentrate resources on BtoC business centered on payments, which is the core area
- ▷ Expansion of growth areas, including M&A in Vietnam and preparations for the opening of a digital bank in Malaysia

(3) Dividend

- ▷ There is no change in the dividend forecasts

The Highlights of the Consolidated Results

[Domestic] : Profit decreased due to an increase in bad debt related expenses, the accumulation of outstanding receivables and sales promotion expenses in the 1H to expand the customer base

[Global] : Topline expands steadily, but bad debt related expenses increased

(Unit : Bn JPY)

	Consolidated	YoY	Domestic		Global		FY2023 Forecast	Progress
			Domestic	YoY	Global	YoY		
Operating Revenue	355.7 bn	107 %	213.7 bn	103 %	143.3 bn	114 %	¥480.0 bn	74 %
Operating Profit	26.1 bn	63 %	▲0.5 bn	- %	26.4 bn	83 %	¥61.0 bn	43 %
Ordinary Profit	27.0 bn	61 %	—	—	—	—	¥61.0 bn	44 %
Profit attributable to owners of parent	8.8 bn	40 %	—	—	—	—	¥27.0 bn	33 %

※As a result of the domestic business integration, the results of AEON Financial Service Co., Ltd., which had been included in the adjustment amount, are included in the domestic segment.
YoY is calculated by reorganizing the previous year's results into the changed segments.

The Highlights of the Consolidated Results -3Q Fiscal Quarter

[Domestic] : The growth rate of operating revenue increased, but OP was negative due to an increase in expenses related to bad debts in line with increased outstanding receivables

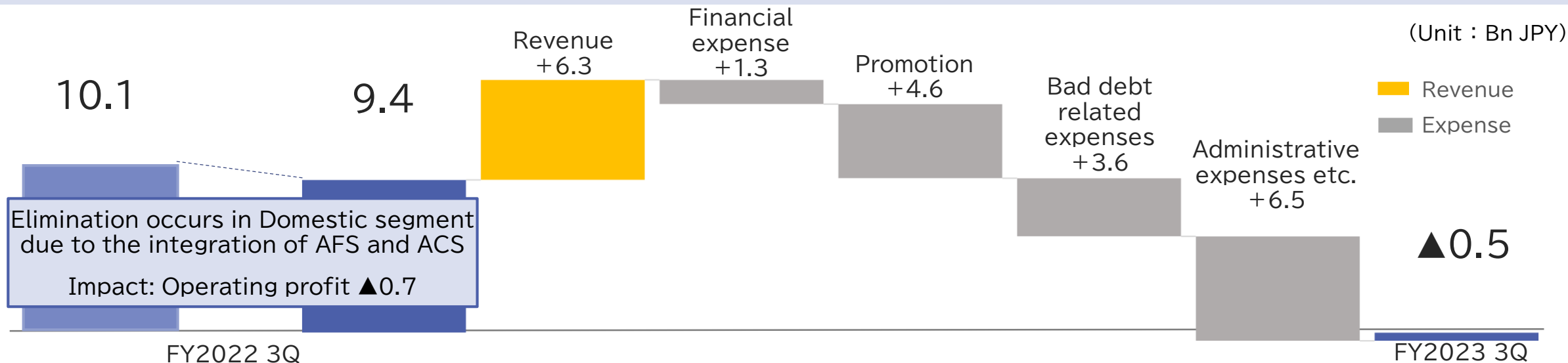
[Global] : Despite increased revenue and profits in the China Area, profits declined in the Mekong Area due to delays in economic recovery in the macro environment

(Unit : Bn JPY)

	Consolidated		Domestic		Global	
	YoY		YoY		YoY	
Operating Revenue	118.2 bn	108 %	69.5 bn	106 %	49.1 bn	110 %
Operating Profit	5.8 bn	60 %	▲2.1 bn	- %	8.0 bn	80 %
Ordinary Profit	5.7 bn	57 %	-	-	-	-
Profit attributable to owners of parent	1.6 bn	39 %	-	-	-	-

[Domestic] Breakdown of Operating Profit

- With the revitalization of consumption, the use of credit card and cash advances has expanded. The effects of balance recovery also gradually contribute to revenues
- Although there was a partial deviation from the previous year, sales promotion exp. were suppressed in the 2H. Upfront cost temporarily occurred in FeliCa Pocket Marketing Inc. (FPM) due to the seasonal factors



Main factors of variation

[Operating revenue]

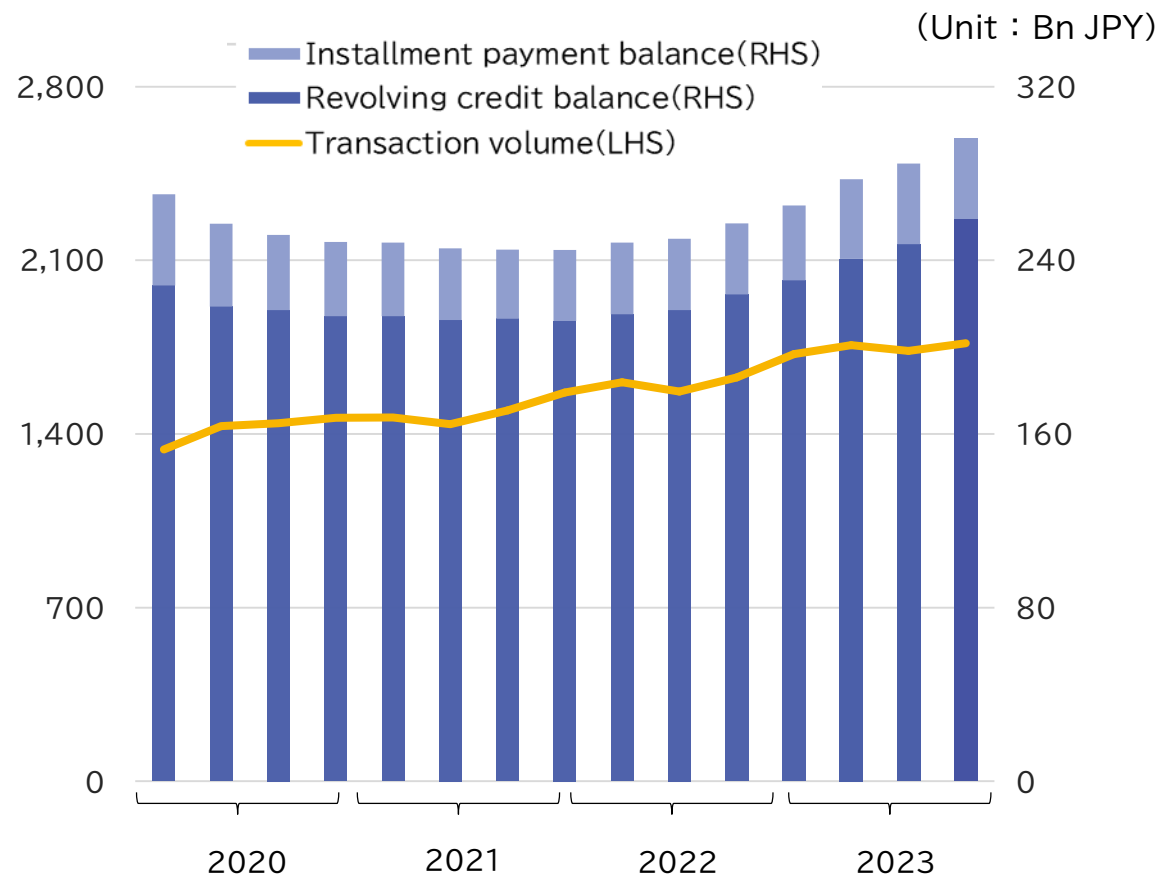
- Card Revenue +6.2 (credit card business +4.2, financing +1.9)
- Consolidated impact of FPM +1.5
- Installment sales finance ▲0.8
- Insurance ▲0.3

[Operating expenses]

- Financial +1.3 (1Q impact of replacement of securities and increased interest payments on foreign currency products)
- Promotion +4.6 (due to the revision of sales promotion measures, the growth range was reduced to +¥0.7 bn in the 3Q)
- Bad debt ¥3.6 (impact of receivables expand)
- Administrative +6.5 (System operating cost +2.0, international brand fee +1.1, consumption tax +1.7 consolidated impact of FPM +1.8)

[Domestic] Shopping Transactions and Receivables

- Transaction volume was driven by travel and leisure as daily consumption recovered, but it was also affected by consumers are refraining from buying
- Revolving balances continue to grow at double-digit rates YoY. The repayment simulation function also contributes to the increase in balance



Credit Card Shopping Transaction Volume

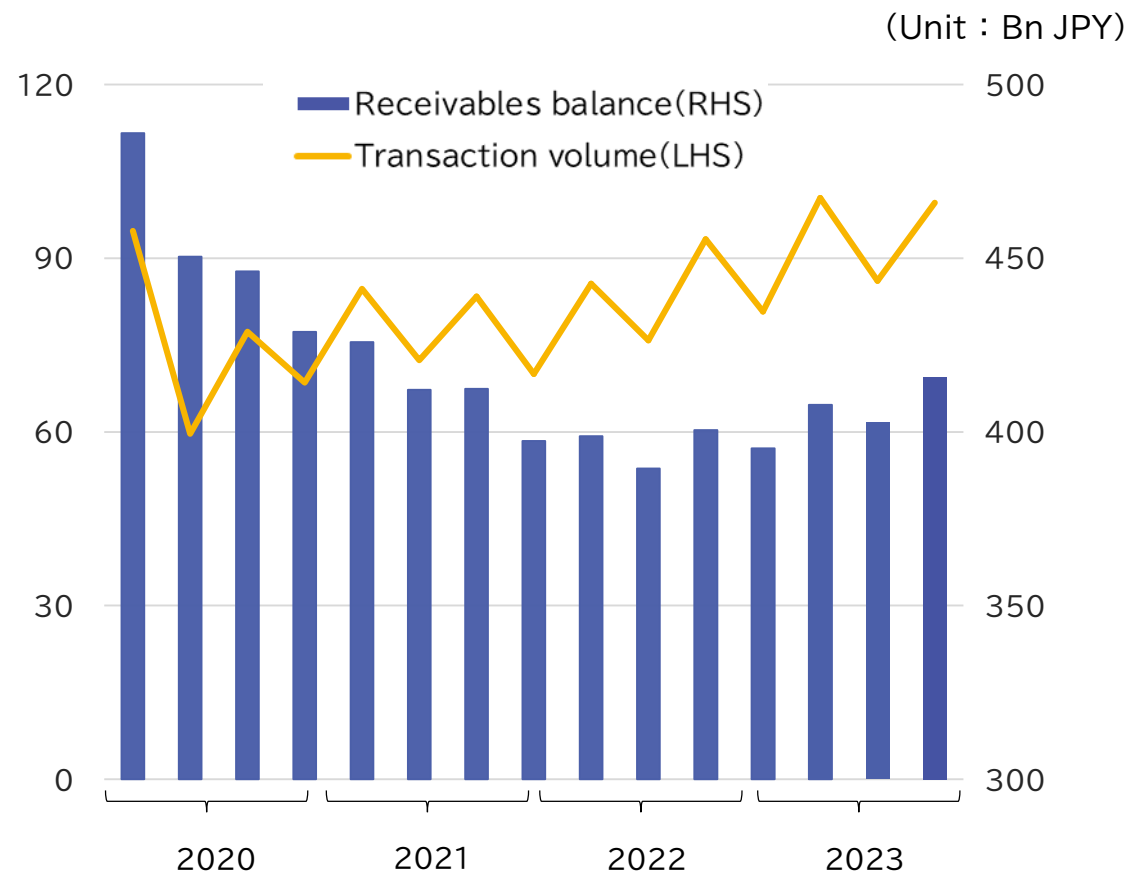
- 3Q cumulative results: ¥5,257.1 bn (YoY 109%)
- While prices are rising, consumers are also refraining from buying
- The number of registered utility bills increased by 150,000 on YoY, and the unit price temporarily decreased due to the government's subsidy for electricity bills, etc.
- Increase the unit usage price for the increased number of Gold Card members

Revolving and Installment Balance

- 3Q results: Revolving balance ¥258.8 bn (YoY 115% / YTD+¥28.0 bn)
Installment balance ¥37.3 bn (YoY 114% / YTD +¥2.8 bn)
- Users of the "repayment simulation function" that allows users to see the expected payment amount after the revolving payment change in advance contribute to an increase in balance
Improved visibility of revolving payment changes in the AEON Wallet app

[Domestic] Cash advance transaction volume and receivables balance

- A continuous approach to meet the recovery of funding needs has been successful, and transaction volume has increased steadily
- The outstanding amount of receivables also turned positive from the same period of the previous year from FY231Q, and the growth rate of YoY increased



Cash Advances Transaction Volume

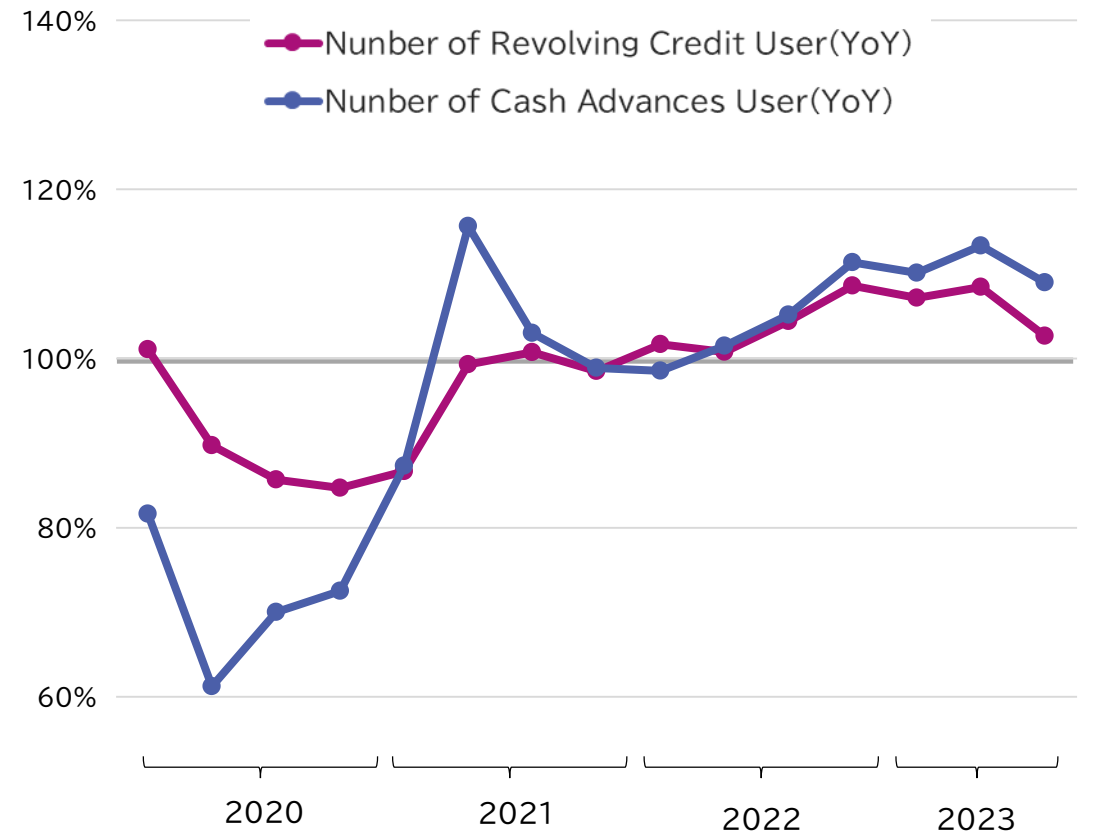
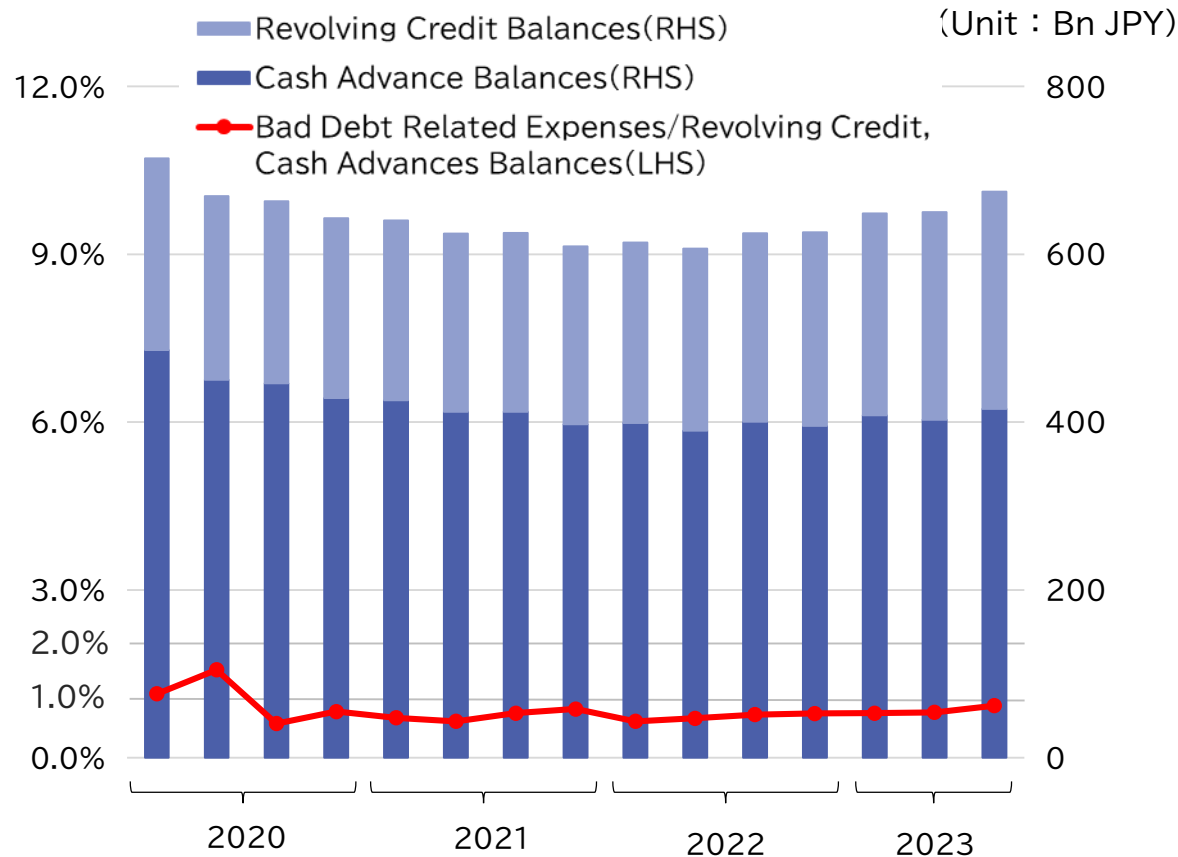
- 3Q cumulative results: ¥285.9 bn (YoY 112%)
- Although the effects of the optimization of the credit line that had been tightened during the pandemic have come to an end, the recovery in personal fund demand and the approach to dormant members have been successful
- Net cash advances are expanding due to the appeal of the benefits of being able to make immediate transfers in addition to the debit account

Cash Advances Balance

- 3Q results: ¥415.8 bn (YoY 104% / +¥20.5 bn)
- By changing the repayment method (from lump sum to revolving) online, both the amount of change and the number of people changed have more than doubled in YoY. Improved convenience contributes to a longer period of use by customers

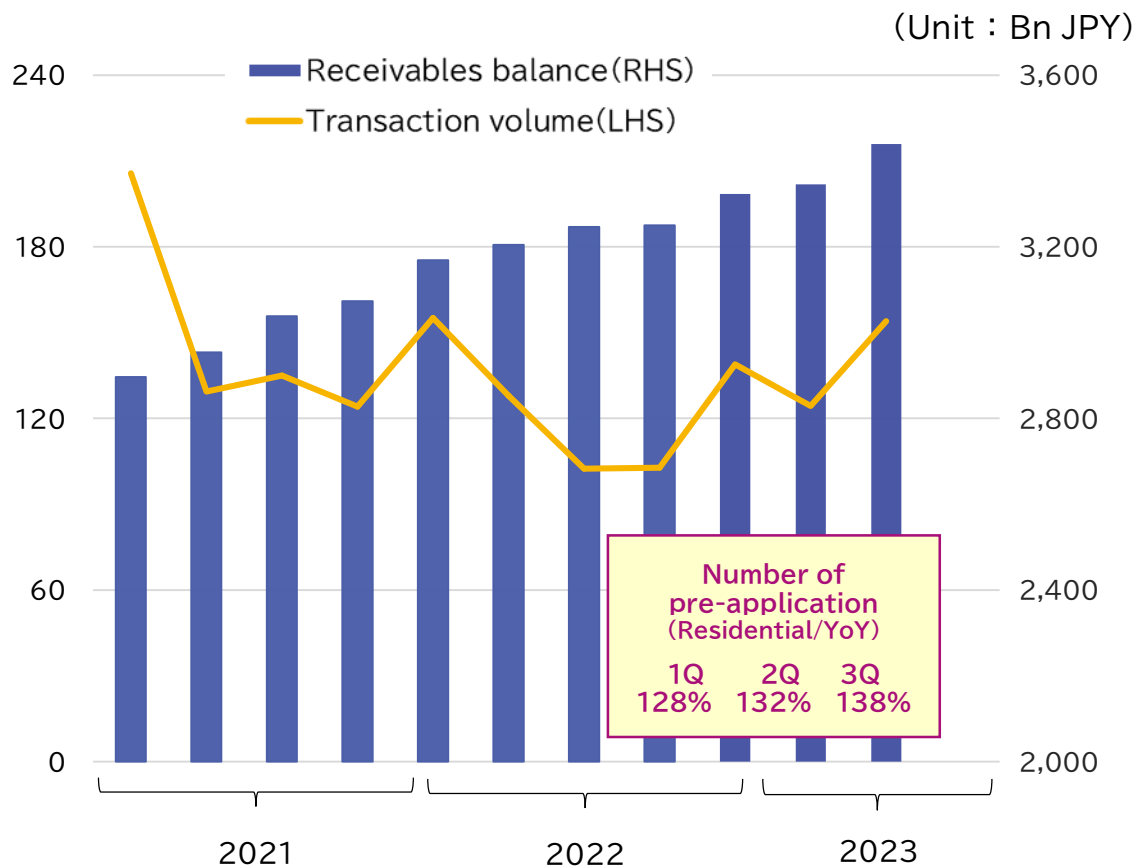
[Domestic] Revolving Credit and Cash Advances, and Bad Debt Related Expenses

- The ratio of bad debt-related expenses to outstanding receivables remains low at less than 1%
- Although the rapid increase in the no. of users has come to an end, the YoY increase has been maintained, and the amount of outstanding receivables has also increased



[Domestic] Housing Loan Transaction and Receivables Balance

- Appealing for merits such as the expansion of AEON Select Club benefits has come to fruition, and the cumulative total of YoY transactions has also turned positive
- The number of pre-applications has been hovering over 130% in YoY, and we expect an increase in the number of property deliveries from the fourth quarter onwards



Housing loan transaction volume

- 3Q cumulative results: ¥417.2 bn (YoY 108%)
- Due to the increase in new projects, the YoY of the no. of consultations increased even if the time from application to execution is prolonged
- AEON Select Club (*) also adds benefits for AEON Mobile (August) and the new online supermarket Green Beans (September). Appealing benefits other than interest rates with benefits that only AFS can do

Housing loan balance(before securitization)

- 3Q cumulative results: ¥ 3,525.2 bn (+¥205.0 bn)

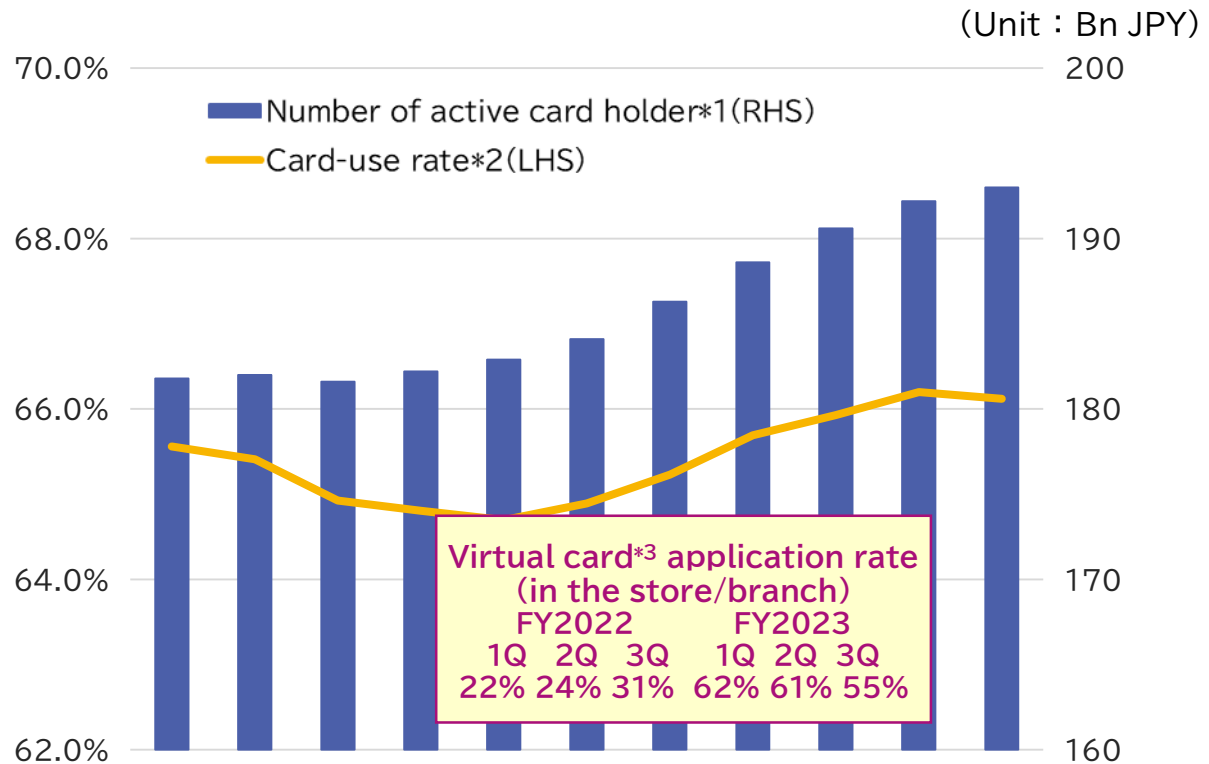


Those who sign up for our housing loan receive a 5% discount on shopping at AEON Group

FY23: Expansion of benefits, such as the elimination of the upper limit on the amount of the discount period until the loan is paid off

[Domestic] Status of ID Expansion

- Promote the efficiency of the cost of acquiring new members by reviewing campaigns for new members, etc.
- By improving initial operation and promoting the use of gold cards, we aim to improve the utilization rate and make them the main card



Virtual card*3 application rate (in the store/branch)					
FY2022			FY2023		
1Q	2Q	3Q	1Q	2Q	3Q
22%	24%	31%	62%	61%	55%

- ※1: No. of cardholders who have used their cards at least once within the previous 12 months
- ※2: No. of active cardholders/Average number of cardholders in Domestic excluding affiliated card members (2022/9~2023/8)×100
- ※3: Virtual card is a credit card without a physical card that can be issued instantly

Number of new members acquired

- 3Q cumulative number of new cardholders: 1.24 million (YoY 91%)
- In the 2H of the FY, we will review our plans and other measures to reduce cost investment and improve efficiency by guiding people to our own website and collaborating with our partners

Number of active members

- 3Q results: 19.3 million (YoY 104%)
- By promoting the registration of virtual cards at the time of in-store enrollment, customers can experience the benefits of our cards, and improve not only the initial operation but also the subsequent utilization rate
- Promote the use of gold cards with a high utilization rate as the main card

Global Business by Segment 3Q Performance Highlights

- Cumulatively, operating revenue increased in all three areas. The China Area continued to increase sales and profits, reaching a record high in the 3Q

(Unit : Bn JPY)

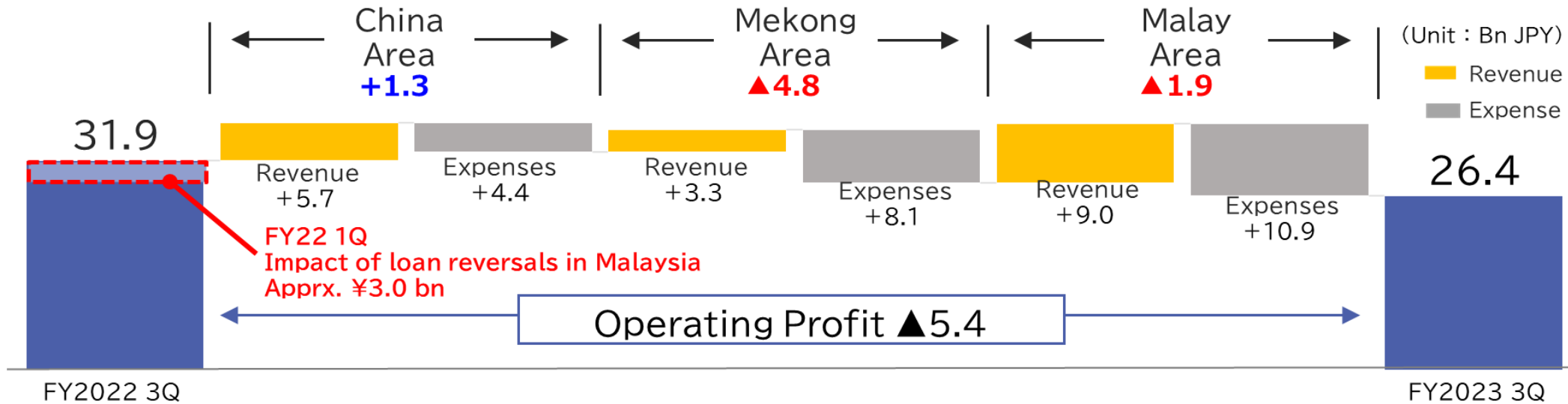
3Q cumulative period	China area	YoY	Mekong area	YoY	Malay area	YoY
Operating revenue	22.1 bn	135 %	67.5 bn	105 %	53.6 bn	120 %
Operating profit	6.3 bn	126 %	10.1 bn	68 %	9.9 bn	84 %
<Reference> Bad debt related expenses	4.7 bn	201 %	24.5 bn	122 %	15.9 bn	146 %

(Unit : Bn JPY)

3Q accounting period	China area	YoY	Mekong area	YoY	Malay area	YoY
Operating revenue	7.8 bn	134 %	22.4 bn	98 %	18.7 bn	120 %
Operating profit	2.0 bn	128 %	3.3 bn	61 %	2.6 bn	89 %
<Reference> Bad debt related expenses	1.8 bn	204 %	7.9 bn	108 %	6.4 bn	133 %

[Global]3Q Operating Profit Breakdown

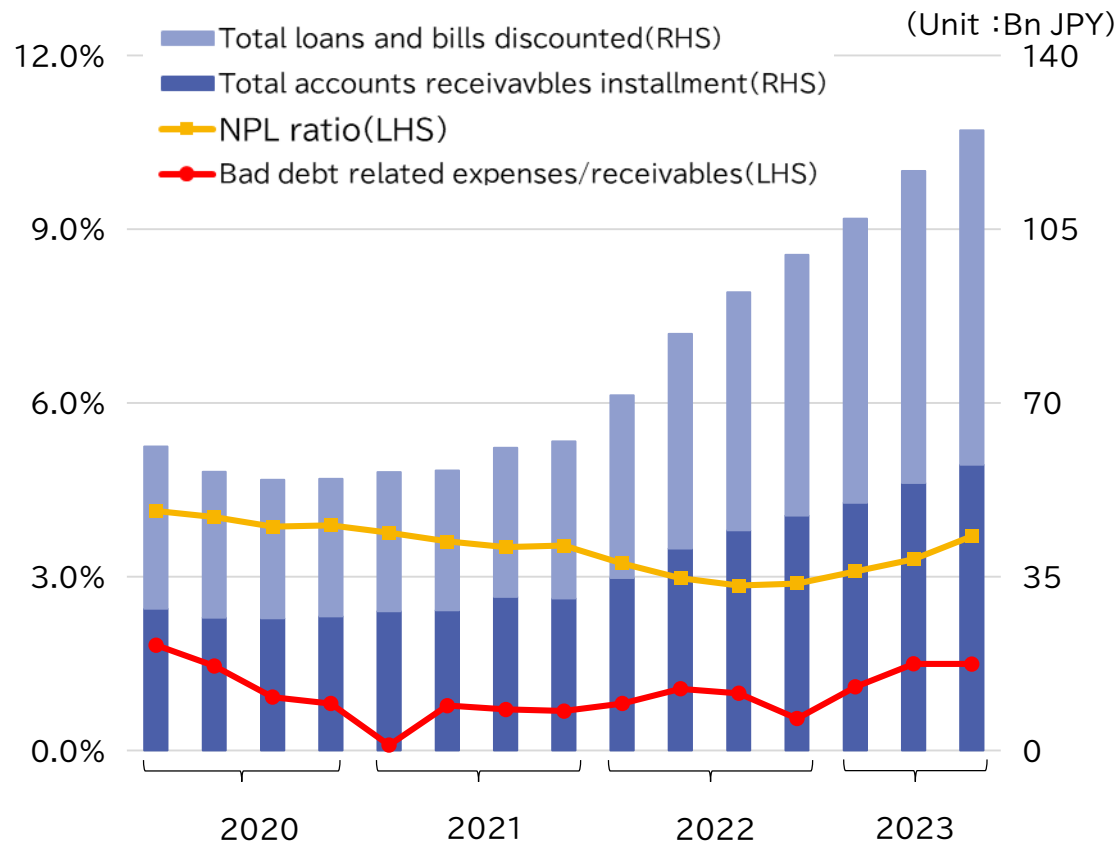
- The main reason for the decline in the previous FY was an increase in bad debt.
- The impact of temporary government policy in Malaysia for the FY2022 1Q resulted in a provision reversal for bad debts of approximately 3 billion yen.



Main Factor of variation	FY2022 3Q		FY2023 3Q		FY2023 3Q	
	Revenue	Expenses	Revenue	Expenses	Revenue	Expenses
Main Factor of variation	[Operating Revenue]		[Operating Revenue]		[Operating Revenue]	
	•Credit card business	+3.0	•Credit card business	+1.0	•Installment finance	+4.7
	•Financing	+2.3	•Financing	+2.4	•Financing	+3.0
	[Operating Expenses]		[Operating Expenses]		[Operating Expenses]	
	•Bad debt related exp.	+2.4	•Bad debt related exp.	+4.4	•Bad debt related exp.	+5.0
	•Financial	+0.8	•Financial	+1.4	•Financial	+1.3
•Personnel	+0.4	•Personnel	+0.8	•Personnel	+1.3	
•Administrative	+0.4	•Administrative	+1.1	•Administrative	+1.7	
				•Digital Bank	+1.5	

[Global] Operating Receivables and NPL of ACS Asia (HK)

- Steady expansion in both users and transaction volume by supporting smartphone payment services (UnionPay QR and NFC compatible)
- Receivables increased steadily by 135% YoY to maximize profits while taking appropriate risks



External environment

- CPI rises for 35 consecutive months (as of Nov. 2023)
- GDP in Jul-Sep' 23 growth surpass Apr-Jun(+1.5%→+4.1%)



Impact on bad debt-related expenses

Outstanding operating receivables YoY 135% YTD +¥25.1 bn

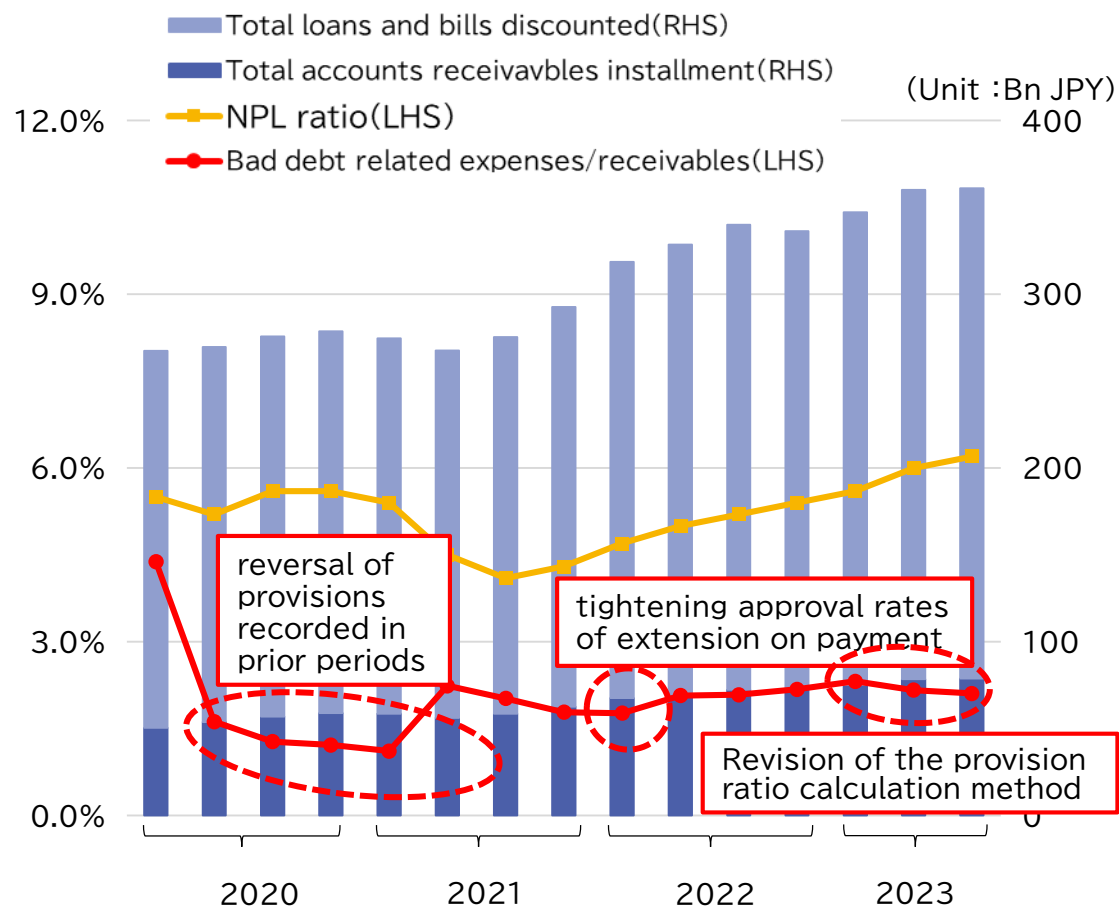
➢ NPL ratio increased, mainly due to a sharp increase in trade receivables from the previous fiscal year

⇒ We use the bankruptcy prediction score to offer restructuring agreements to customers who are concerned about future bankruptcy to reduce the risk of sudden bankruptcy

As a result, we control the ratio of bad debt-related expenses to the balance of business receivables

[Global] Operating Receivables and NPL of AEON Thana Sinsap

- Promote digitalization, such as expanding the functions of smartphone apps and AI appraisals for collateral loans for automobiles
- Although the NPL ratio continue to rise, we reduce the ratio of bad debt-related expenses by improving credit accuracy



External environment

- CPI fell for the first time in 25 months in Oct. (as of Nov. 2023)
- Although the new administration has set out policies to raise the minimum wage and reduce the household debt, it is expected that it will take time to improve the current burden of living expenses



Impact on bad debt-related expenses

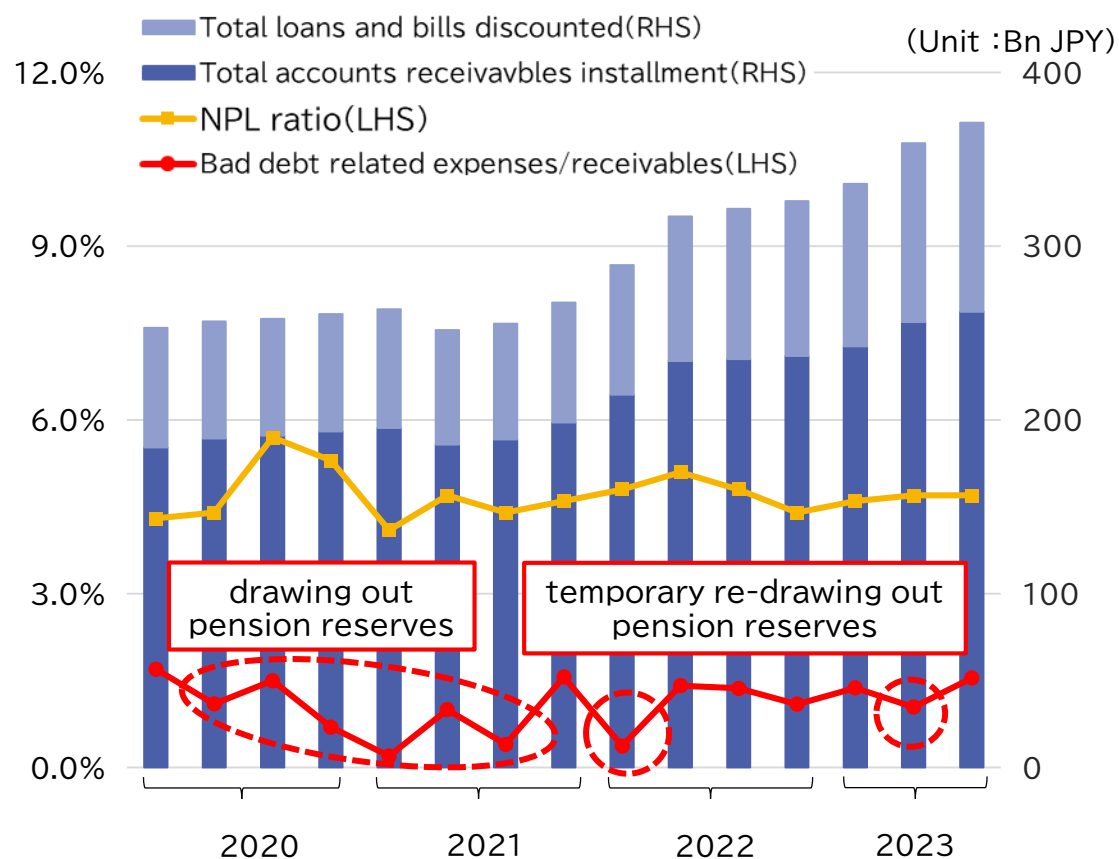
Outstanding operating receivables YoY106% YTD+¥24.6bn

- The unemployment rate continues to be high, especially among young people, and the NPL ratio is rising in the market as a whole
- Due to the revision of the provision ratio calculation method, the ratio of bad debt-related expenses decreased in QoQ

⇒ We aim to increase the outstanding amount of loans while balancing credit costs with continuing to increase the ratio of credit to middle-income earners with stable incomes, and

[Global] Operating Receivables and NPL of ACS Malaysia

- Improved convenience, such as the provision of instant credit and the expansion of online support, continued to drive high growth in the top line
- Despite steady growth in receivables, NPL ratio remained stable



External environment

- CPI rises for 34 consecutive months (as of Nov. 2023)
- GDP in Jul-Sep' 23 growth surpass Apr-Jun (+2.9% → +3.3%)

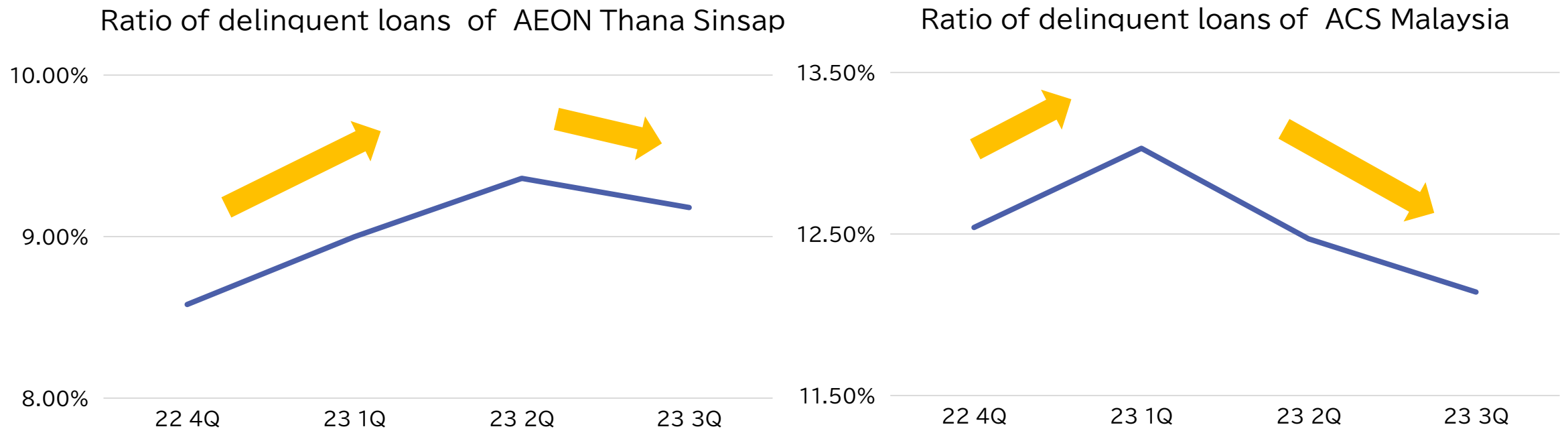
Impact on bad debt-related expenses

Outstanding operating receivables YoY 115% YTD + ¥45.1bn

- The NPL ratio remained stable, and the QoQ bad debt related expense ratio also declined due to the expansion of normal loans and the renewal of the provision ratio
- ⇒ Average wages are currently rising, and screening accuracy has been improved by expanding the use of e-KYC and introducing biometric authentication to merchants. Lower credit costs while expanding personal loans and individual installments.

[Global] Ratio of delinquent loans (Thailand, Malaysia)

- The ratio of delinquent loans is on a downward trend, and we will continue to control receivables that serve as a reserve for long-term delinquent loans



※Ratio of delinquent loans(DL) = Stage1 or above DL balance / Total DL

2 Earnings and Dividend Forecasts

FY2023 earnings forecast, dividend forecast

- There is no change in the dividend forecasts

	Consolidated	YoY	Dividend forecast			
			Domestic	YoY	Global	YoY
Operating Revenue	¥480.0 bn	106 %	¥290.0 bn	103 %	¥190.0 bn	112 %
Operating Profit	¥61.0 bn	104 %	¥19.0 bn	111 %	¥43.0 bn	101 %
Ordinary Profit	¥61.0 bn	99 %	Dividend per share		Payout ratio	
Profit attributable to owners of parent	¥27.0 bn	88 %	Annual: ¥53	Interim: ¥25 Year-end: ¥28	42.4 %	

3 Priority Measures

Review our business portfolio

- Review our business portfolio through “selection and concentration“ in view of changes of business environment
- Allocate resources to the domestic payments which is our core business and overseas which is a growth business

”Selection and Concentration” for the optimal business portfolio

Domestic

Strengthen Core Business

Expansion of the foundation and scale of profits of the BtoC payment business

Strengthening fund-raising capabilities through the use of bank deposits to support the expanding scale of the company

Global

Business Growth and Expansion

Building a new business model by using digital technology

Expansion of the domain by expanding into new areas

Concentration of resources and investment

Business alliances and collaborations with external parties

M&A including IN and OUT

Review our business portfolio – APF’s Share Transfer-

- Decided that it would be optimal to transfer AEON Product Finance (APF) to Orient Corporation, which has strengths in BtoB, and make use of our know-how

- ✓ Nationwide bases
- ✓ Human resources with sales skills



Orico

ticker symbol : 8585

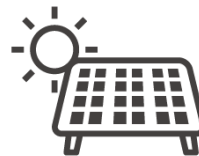
- ✓ Industry-leading know-how
- ✓ BtoB network
- ✓ Solid infrastructure



Auto



Renovation



Solar



Agricultural
implement



School
expenses

Considering collaboration with Orient Corporation

- Utilizing the management resources of both companies to maximize the value proposition in Japan and other Asian countries
- Consider collaboration in a wide range of businesses and fields, such as mutual customer referrals and joint utilization of management resources



- Focusing on BtoC payment .biz
- Comprehensive finance from the retail industry
- Financial inclusion in Asian countries
- Domestic and overseas customers and merchant network

Provision of
new value
×
Maximize
economies of scale

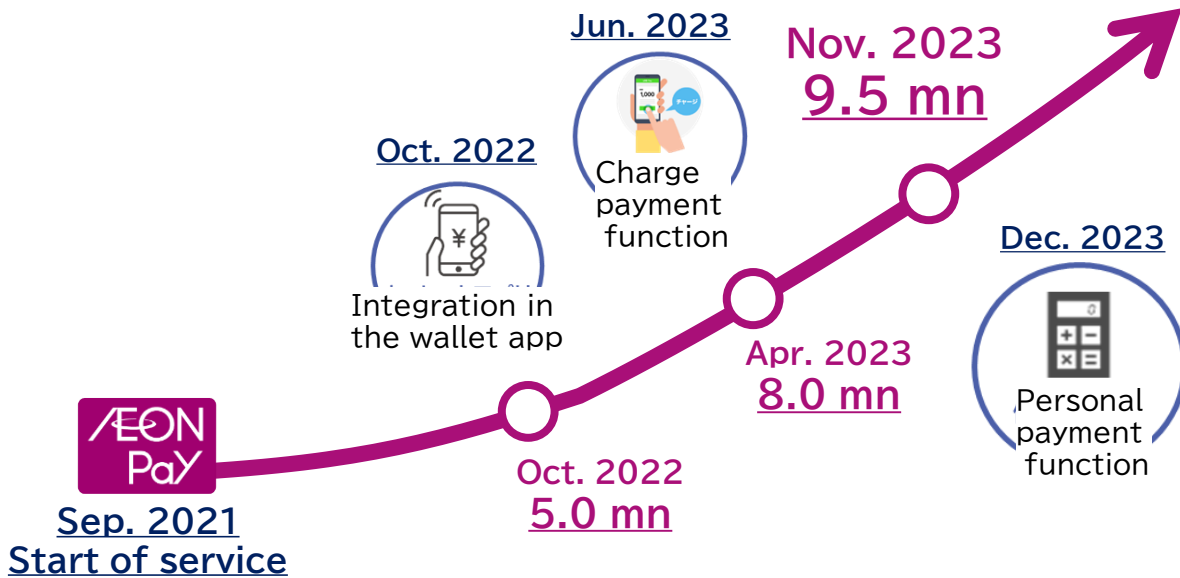


- Strengths in BtoB payment and guarantee business
- Industry's top-class share of installment finance
- Expansion of services in Asian countries
- Business bases and franchisees nationwide

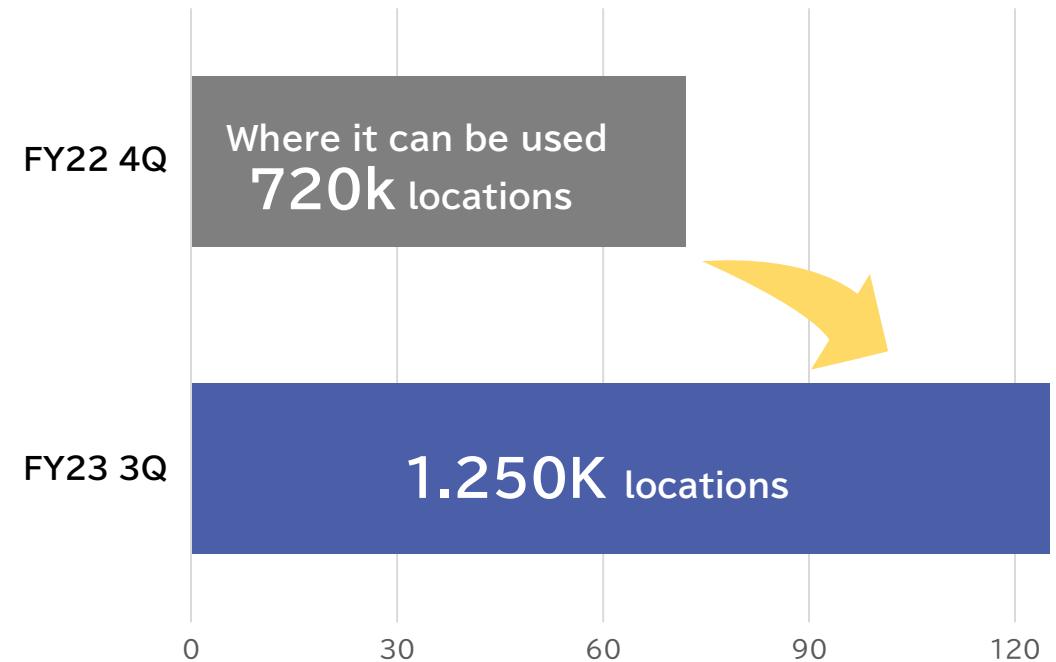
Strengthen Core Business

[Domestic] Expanding AEON Pay touchpoints

- AEON Pay membership expanded to 9.5 million as of the end of November
- Use of small payments and companies outside the Group has also increased due to an increase in the number of places of use and the expansion of functions,



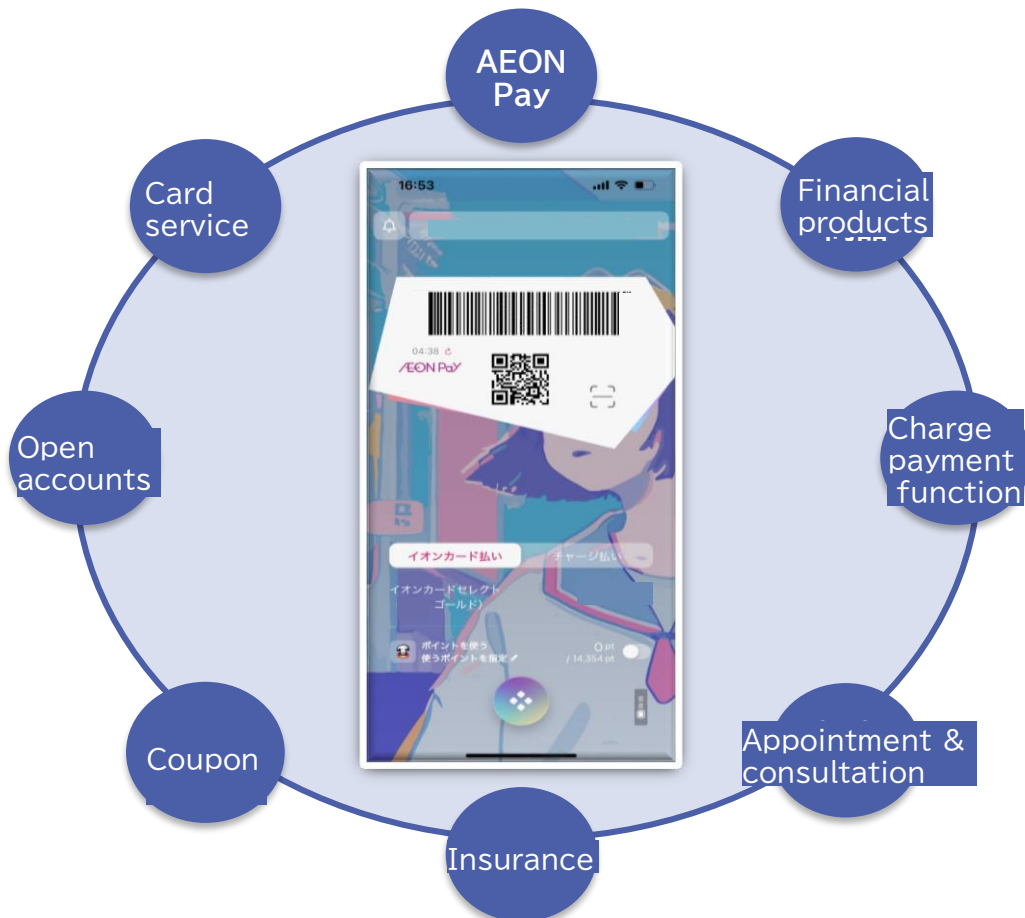
The number of members is steadily expanding and functions are gradually being expanded



Expansion of available locations other than the AEON Group

[Domestic] Providing comprehensive financial apps and promoting cross-selling

- AEON Wallet app was renewed as a comprehensive financial app in Sep. 2023
- Improvements to the app's UI and UX have led to an increase in the number of applications for each service via the app



No. of applications via the app (before renewal)

Housing Loan	3.7 _x
Card Loans	4.3 _x
Insurance	4.0 _x

Comparison of 60 days before and after renewal

[Domestic] Expansion of economic zones (strengthening regional cooperation)

- Collaboration with FeliCa Pocket Marketing, which was consolidated from the second quarter, on local government projects
- Taking advantage of the connections with both local governments, we will expand our business in collaboration with the local community

Hometown tax payment website

※Opened in September 2023



“Maifuru” no. of local governments

214



+



The business of local CCY and local government apps



FeliCa Pocket Marketing
No. of local government Projects

110

[Domestic] Strengthening the foundation of the credit card business

- Strengthening the system to eliminate customers "negative" aspects
- Expand revenue through attentive customer support and reduce costs by consolidating distributed operations

Maintenance Center



Opened in
November 2023

Promote maintenance of customer registration information such as changes in address and place of work

Promotion Center



Opened in
March 2022

Changing the available credit line and proposing various services according to the usage situation

Security Center

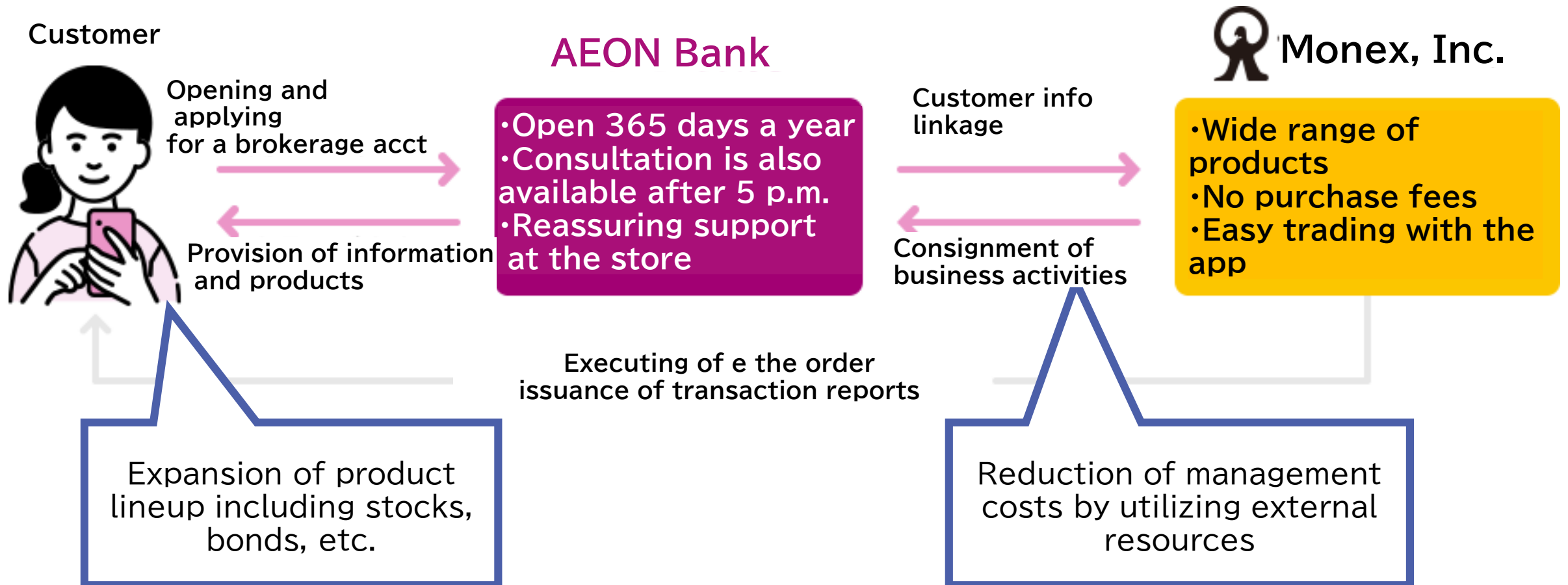


Opened in
December 2023

Consolidation and strengthening of systems to prevent fraudulent use of credit cards

[Domestic] Started providing partnership services with Monex, Inc.

- Beginning of business alliance with Monex, Inc. on 4th of Jan, 2024
- Expand the lineup of products that we can provide to our customers with the start of the new NISA



Business Growth and Expansion

| Global / Vietnam

[Global/Vietnam] Acquisition of PTF

- Announced an agreement to acquire an equity stake in PTF (subsidiary) on October 20
- New financial services such as personal loans can be provided in the Vietnamese market

Company outline (FY2022)

Name of company	Post and Telecommunication Finance Company Limited (PTF)
Representatives	Nguyen Minh Thang, Chairman of the Member's Council
Date of establishment	1998
Fixed capital	VND 1,550 bn (Approx. ¥9.4 bn)
Listing status	Unlisted
Business Description	Financial industry
Operating receivables balance	VND 4,572 bn (Approx. ¥27.4bn)



Up to now
(Personal loans and credit cards cannot be provided)

Installment business only Net yield 7-9%

▼ In addition to the "Retail Business" license, the "Finance" license was acquired






From now on
(Focusing on Vietnam as the fourth pillar of Global business)

Provide credit card and personal loans
Net yield 10~20%

[Global/Vietnam] Market size

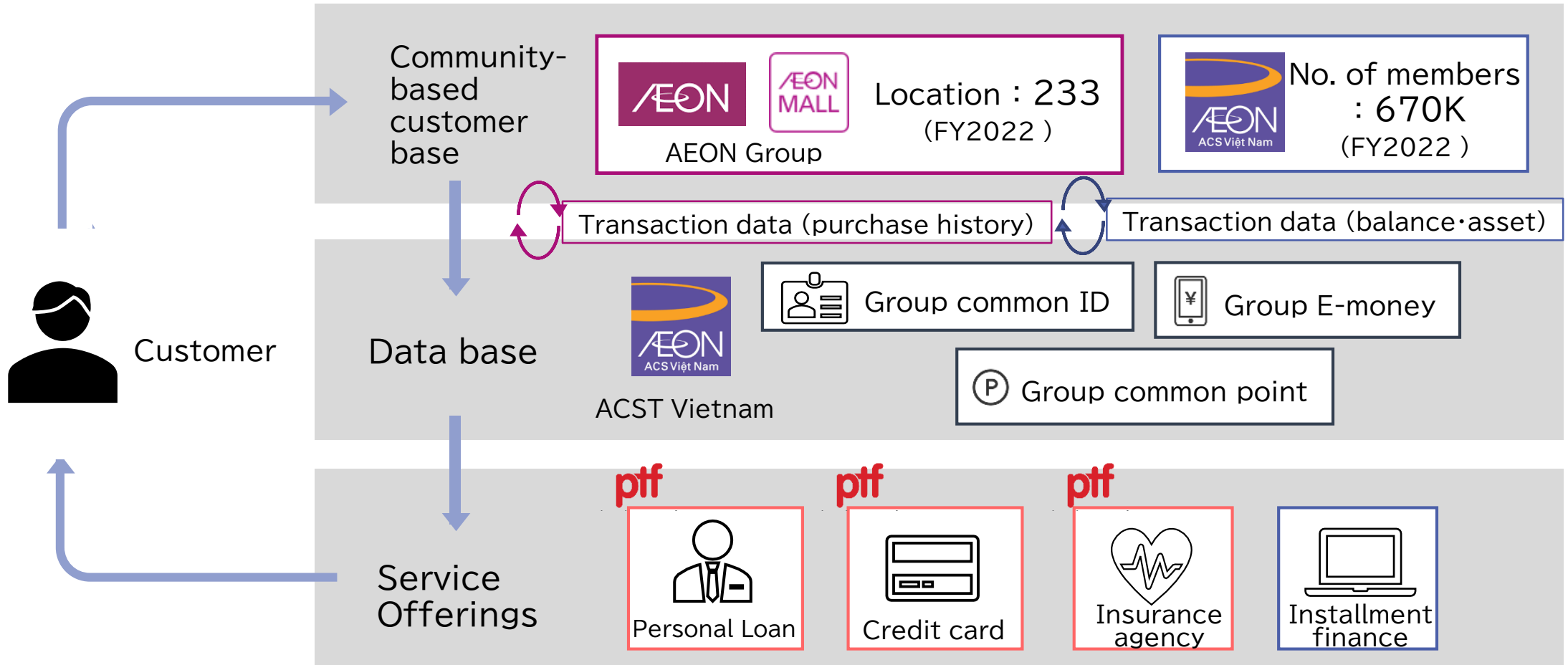
- Vietnam's consumer credit market is expected to continue to grow in response to population and economic growth
- In particular, the number of credit cards issued, payment transaction volume, and loan balance have a high growth rate, making it a promising product


		2022	2027(forecast)	CAGR (2022→2027)
Number of credit card (Unit: thousands cards)		14,082	 29,712	<u>20%</u>
Transaction volume of credit card (VD bn)		906,126	 2,299,645	<u>22%</u>
Loan Balance (VD bn)	Credit card	1,550,032	 5,386,582	<u>26%</u>
	Personal loan	593,446	963,813	<u>10%</u>

Source: Euromonitor

[Global/Vietnam] Business directionality

- Establishing a data infrastructure, expanding the AEON Living Zone, and promoting the use of financial services throughout Vietnam

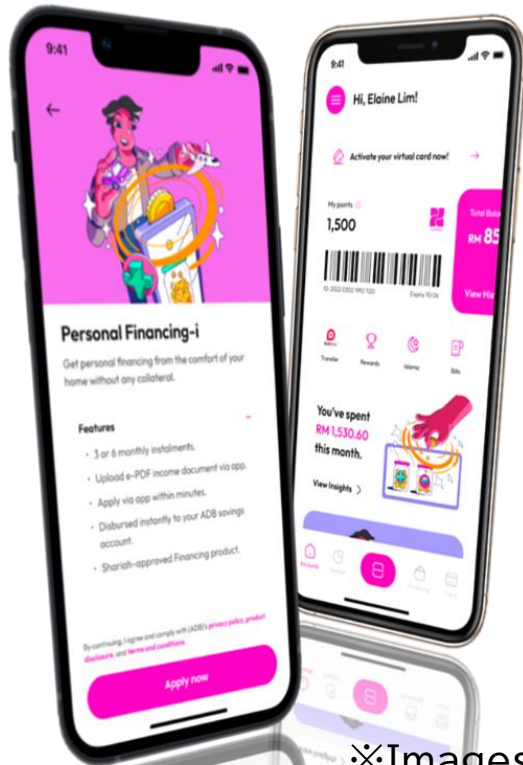




Global / Malaysia

[Global/Malaysia]

- Obtained permission from central bank of Malaysia to start operations of digital bank
- Deposits, payments, loans, remittances, etc. are completed through the app. New Businesses Contribute to LTV Expansion and Financial Inclusion



※Images shown is for illustration purpose only



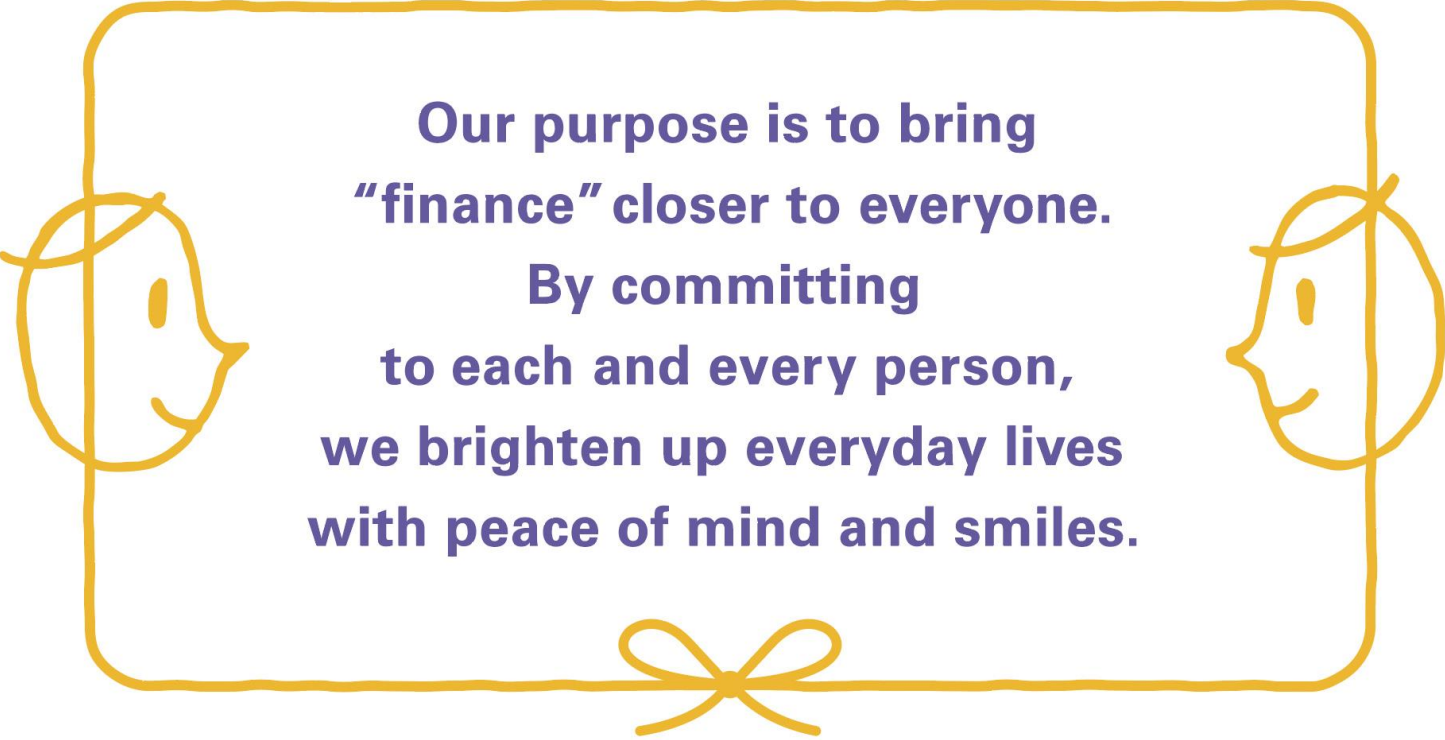
Members promoting digital bank

[Global/Malaysia] Development of new business models

- The know-how accumulated through the digital bank will be horizontally deployed to each country, and it will be a starting point for future business model transformation for the entire Group



Our Purpose



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



Appendix

Consolidated Balance Sheet

(Unit : billions of yen)	FY 2023	
	3Q Results	YTD
Cash and deposits	444.6	▲ 397.9
Operating Loans	940.8	+95.5
Loans and bills discounted for banking business	2,321.8	+161.0
Accounts receivables- installment	2,010.4	+240.9
Allowance for doubtful accounts	▲ 129.1	+1.6
Other	1,371.8	+203.1
Total assets	6,960.6	+301.1

(Unit : billions of yen)	FY 2023	
	3Q Results	YTD
Deposits	4,480.7	+82.7
Accounts payable-trade	311.1	+55.4
Interest-bearing debt (excl. deposits)	1,364.5	+153.9
Other	243.3	▲ 10.7
Total liabilities	6,399.7	+281.4
Total net assets	560.8	+19.6
Total liabilities and net assets	6,960.6	+301.1

Results by Segment

(Unit : billions of yen)	Domestic Total ※1			Global Total ※1				Consol. Total ※2
		Retail	Solutions		China Area	Mekong Area	Malay Area	
Operating Revenue	213.7	127.0	138.6	143.3	22.1	67.5	53.6	355.7
YoY ※3	103%	104%	105%	114%	135%	105%	120%	107%
Operating Profit	▲0.5	▲0.3	0.9	26.4	6.3	10.1	9.9	26.1
YoY ※3	-%	-%	10%	83%	126%	68%	84%	63%
Operating Profit Ratio	▲0.3%	▲0.3%	0.7%	18.5%	28.5%	15.1%	18.5%	7.3%
Change ※3	▲4.8pt	▲0.3pt	▲6.6pt	▲7.0pt	▲2.1pt	▲8.3pt	▲8.1pt	▲5.2pt

Reference: The impact on earnings due to securitization ¥9.8 bn (+¥1.8bn compared to the same period of the previous year)

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

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

※3 The comparison target compared to the previous fiscal year is the figure before the segment change

Results by Area

(Unit : billions of yen)		Transaction volume	YoY	Operating receivables (Before securitization)	YTD
Domestic	Credit card	5,543.0	109%	1,756.9	+164.2
	Shopping	5,257.1	109%	1341.1	+143.7
	Cash advances	285.9	112%	415.8	+20.5
	Installment finance	154.4	105%	740.6	+17.5
	Housing loan	424.2	110%	3,525.2	+205.0
	Others	-	-	1,130.1	+128.5
	Total	-	-	7,153.0	+515.4
Global	Credit card	425.4	117%	302.2	+34.7
	Shopping	315.9	120%	152.4	+16.6
	Cash advances	109.4	107%	149.7	+18.1
	Installment finance	103.7	116%	281.7	+28.0
	Personal loans	154.8	127%	318.5	+38.2
	Total	-	-	902.4	+101.0

3Q Cumulative Results of 3 Overseas Listed Companies (Local Currency)

		FY 2022	FY 2023	
		Results	Results	YoY
AEON CREDIT SERVICE (ASIA) HK\$' 000	Revenue	887,361	1,192,889	134%
	Profit before tax	299,664	339,443	113%
	Profit for the period	250,314	282,263	113%
AEON THANA SINSAP (THAILAND) BAHT' 000	Revenue	16,779,572	16,540,572	99%
	Profit before tax	4,040,586	2,767,690	68%
	Profit for the period	3,225,288	2,217,651	69%
AEON CREDIT SERVICE (M)Berhad RM' 000	Revenue	1,207,581	1,410,917	117%
	Profit before tax	417,165	402,579	97%
	Profit for the period	322,345	305,098	95%

3Q Cumulative Results of 3 Overseas Listed Companies (Yen conversion)

		FY 2022	FY 2023		Exchange rates
		Results	Results	YoY	
AEON CREDIT SERVICE (ASIA)	Operating Income	15.1bn	21.6bn	143%	<u>(JPY / HKD)</u> ・ FY2022 3Q : ¥17.05 ・ FY2023 3Q : ¥18.16
	Operating Profit	5.1bn	6.1bn	121%	
	Net Income	4.2bn	5.1bn	120%	
AEON THANA SINSAP (THAILAND)	Operating Income	63.4bn	67.1bn	106%	<u>(JPY / THB)</u> ・ FY2022 3Q : ¥3.78 ・ FY2023 3Q : ¥4.06
	Operating Profit	15.2bn	11.2bn	74%	
	Net Income	12.1bn	9.0bn	74%	
AEON CREDIT SERVICE (M)Berhad	Operating Income	36.3bn	43.7bn	120%	<u>(JPY / MYR)</u> ・ FY2022 3Q : ¥30.13 ・ FY2023 3Q : ¥30.98
	Operating Profit	12.5bn	12.4bn	99%	
	Net Income	9.7bn	9.4bn	97%	

Transaction Volume and Operating Receivables of Global Business

(Unit : billions of yen)		China Area (Hong Kong)		Mekong Area (Thailand)		Malay Area		Global Business	
			YoY (Change)		YoY (Change)		YoY (Change)		YoY (Change)
Credit card	Transaction volume	162.2	125%	218.3	110%	44.7	121%	425.4	117%
	Operating Receivables	95.9	+24.0	179.8	+13.8	26.4	+3.4	302.2	+41.3
Installment finance	Transaction volume	-	-	15.9	118%	87.8	115%	103.7	116%
	Operating Receivables	-	-	28.6	+1.2	253.0	+28.1	281.7	+29.3
Personal loans	Transaction volume	25.3	148%	81.0	115%	48.4	141%	154.8	127%
	Operating Receivables	28.9	+8.5	179.5	+6.3	109.9	+23.2	318.5	+38.1
Total	Transaction volume	187.5	128%	315.3	112%	181.0	123%	683.9	119%
	Operating Receivables	124.9	+32.5	388.0	+21.4	389.4	+54.7	902.4	+108.7

Allowance for Doubtful Accounts and Provision for Loss on Interest Repayment by Segments

[Allowance for Doubtful Accounts]

(Unit : billions of yen)	Domestic			Global Total	Global			Consol. Total
	Total	Retail	Solutions		China Area	Mekong Area	Malay Area	
Allowance for doubtful accounts balance at beginning of period	57.1	3.8	53.7	69.4	3.3	40.7	25.3	127.4
Provision of allowance for doubtful accounts	16.7	0.0	16.7	45.3	4.7	24.5	15.9	62.0
Write-off of doubtful accounts (including transferred debt)	17.3	0.0	17.2	43.1	3.3	23.9	15.8	60.4
Allowance for doubtful accounts balance at end of period	56.5	3.7	53.1	71.6	4.8	41.3	25.5	129.1

※Balance at end of period of Domestic Subsidiaries

<Retail> AEON Bank:3.7

<Solutions> AEON Financial Service:38.8、
AEON Product Finance:9.1、
AEON Housing Loan Service:1.2

[Provision for Loss on Interest Repayment]

(Unit : billions of yen)	FY2022 3Q	FY2023 3Q
Beginning of period	6.4	4.8
Provision	-	-
Interest Repayment	2.4	2.2
End of period	3.9	2.5

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