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***This material reflects the data as of the date of the 4th quarter IR presentation (April 10, 2025), and does not reflect the revisions to the prior fiscal year that were announced on July 31, 2025.**

FY2024 IR Presentation Material

April 10, 2025



AEON Financial Service

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

Agenda

1 Outline of Financial Results for FY2024

2 Initiatives to Enhance Corporate Value

3 Forecast of Business Performance and Dividends for FY2025

Appendix

Financial summary

Financial performance remains steady for the full year

Record operating revenues in all three Global Areas

Successful improvement in asset profitability

Performance remained steady

Consolidated operating revenue increased by double digits (YoY 110%), consolidated operating profit expanded to ¥61.4 bn (YoY 123%)

- Domestic: Settlement and banking revenues grew. Continued to improve cost efficiencies.
- Global: Record operating revenues in all 3 areas. Up due to improvement in bad debt-related exp.

Improvement of Asset Profitability

： **Steady expansion of outstanding balance. Interest rate revisions in accordance with the domestic interest rate environment also contributed.**

The Global balances increased to ¥1 tr, while domestic securitization also contributed to the increase in balances and interest rate revisions.

- Domestic: ¥725.2bn (YoY 102%/+¥15.0bn), Global: ¥1,033.3bn (YoY 114%/+¥127.7bn)

Strengthen security, risk management and compliance systems

¥9.9bn in compensation for fraudulent losses was recorded as an extraordinary loss.

Countermeasures to deter additional damages. Prevent recurrence of the administrative action taken against AEON Bank and strengthen Group governance.

※The balance of receivables shown is after the securitization. ※ High-yield operating receivables: Domestic revolving and installment finance, cash advances, unsecured loans, and receivables in the Global Business.

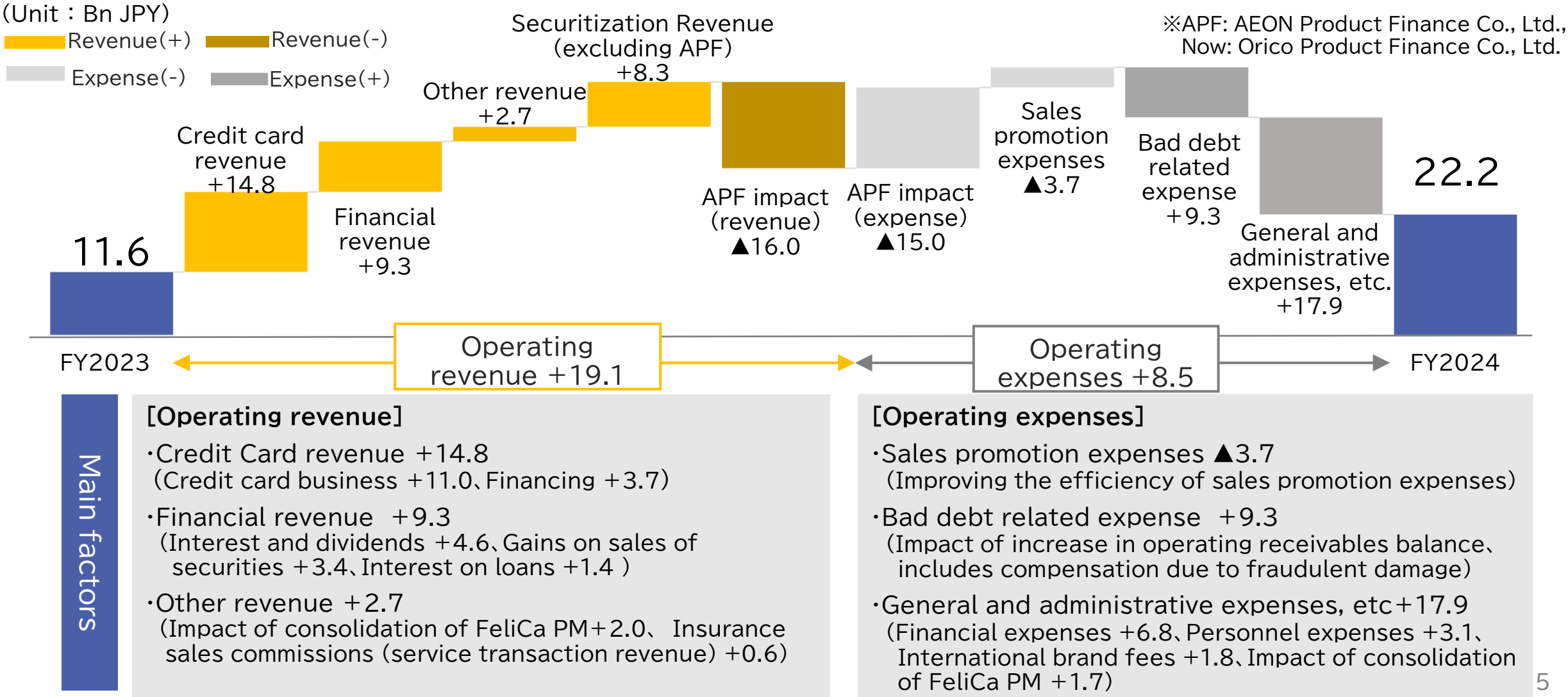
The Highlights of the Consolidated Results

- Operating revenue and operating profit increased, driven by recovery in the Domestic Business
- Posted compensation expenses for fraudulent use by a special technique as an extraordinary loss

	Consolidated	YoY				
			Domestic	YoY	Global	YoY
Operating Revenue	¥533.2 bn	110 %	¥313.1 bn	107 %	222.5 bn	115 %
Operating Profit	¥61.4 bn	123 %	¥22.2 bn	191 %	38.7 bn	101 %
Ordinary Profit	¥62.5 bn	122 %	Dividend per share		Payout ratio	
Profit attributable to owners of parent	¥19.5 bn	93 %	Annual: 53	Interim: 25 Year-end: 28	58.6 %	

[Domestic] Breakdown of Operating Profit

- Increase in credit card revenues, finance revenue, and gains on securitization exceeded increase in expenses such as bad debt-related expenses, resulting in a ¥10.6 bn increase in profit YoY

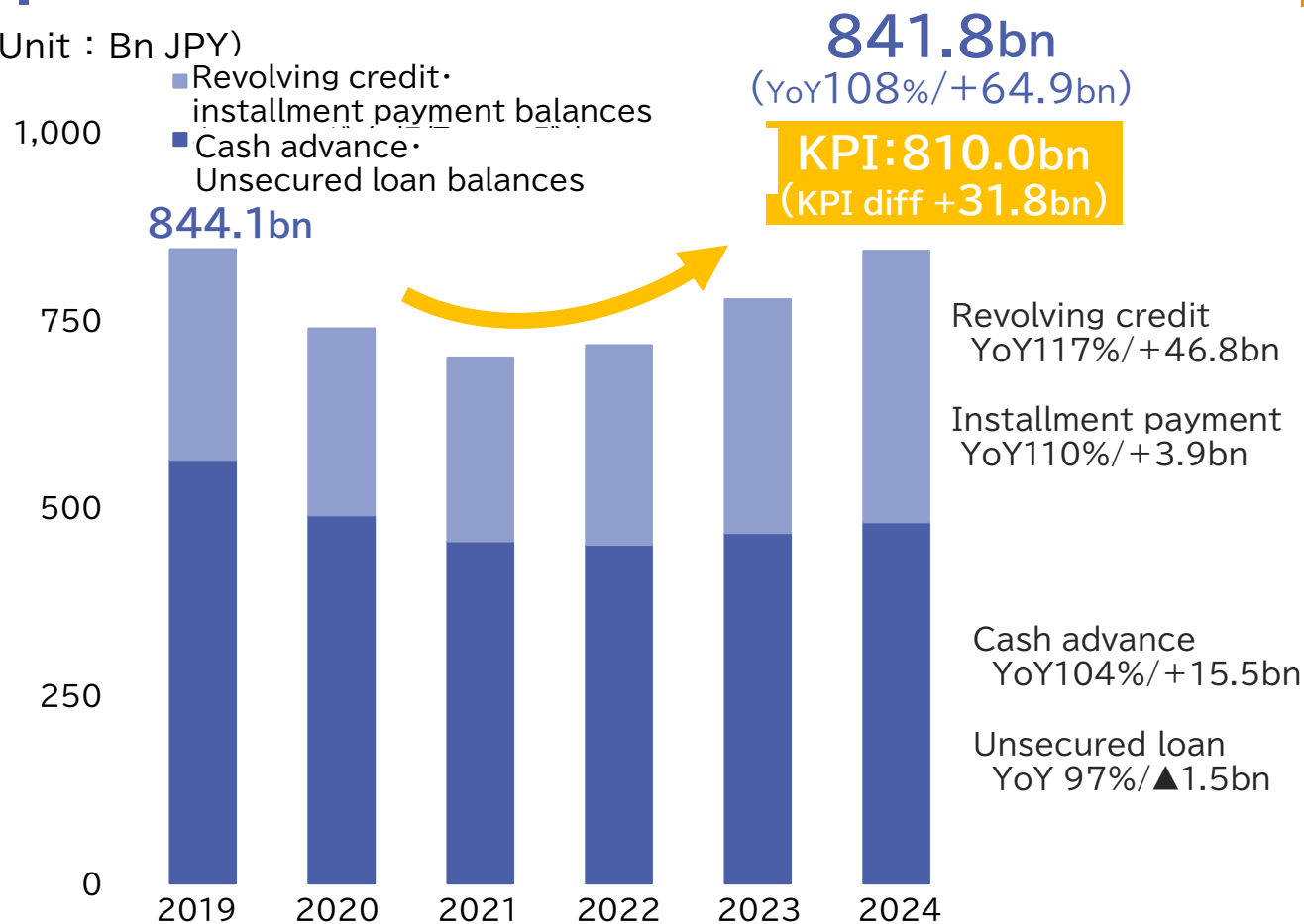


[Domestic] Building a foundation for stock income

- Achieved KPI ¥810.0 bn (before securitization) for balance of receivables at end of period due to steady acquisition of balance to build a strong revenue base
- The implementation of the securitization of revolving credit led to a decrease in the ratio of high-yielding loans compared to the previous FY. We will continue to focus on expanding this ratio in the future

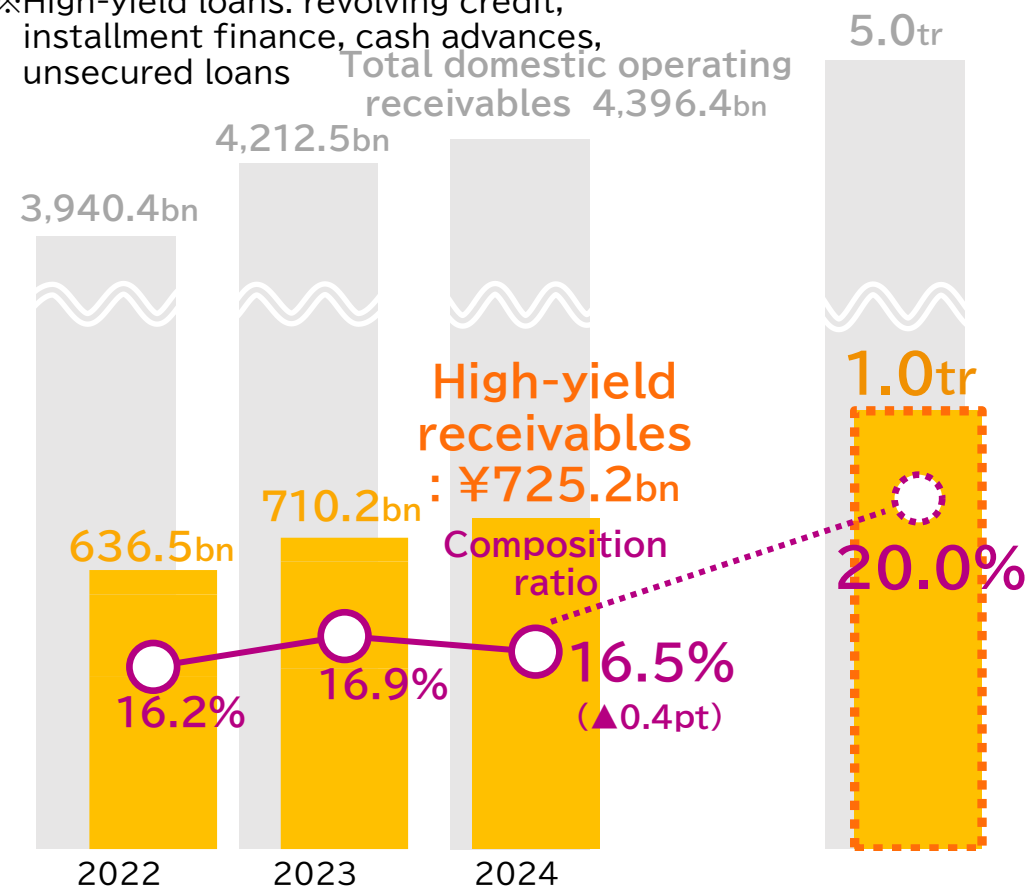
Balance before securitization

(Unit : Bn JPY)



Ratio of high-yield loans and balance (after implementation of securitization)

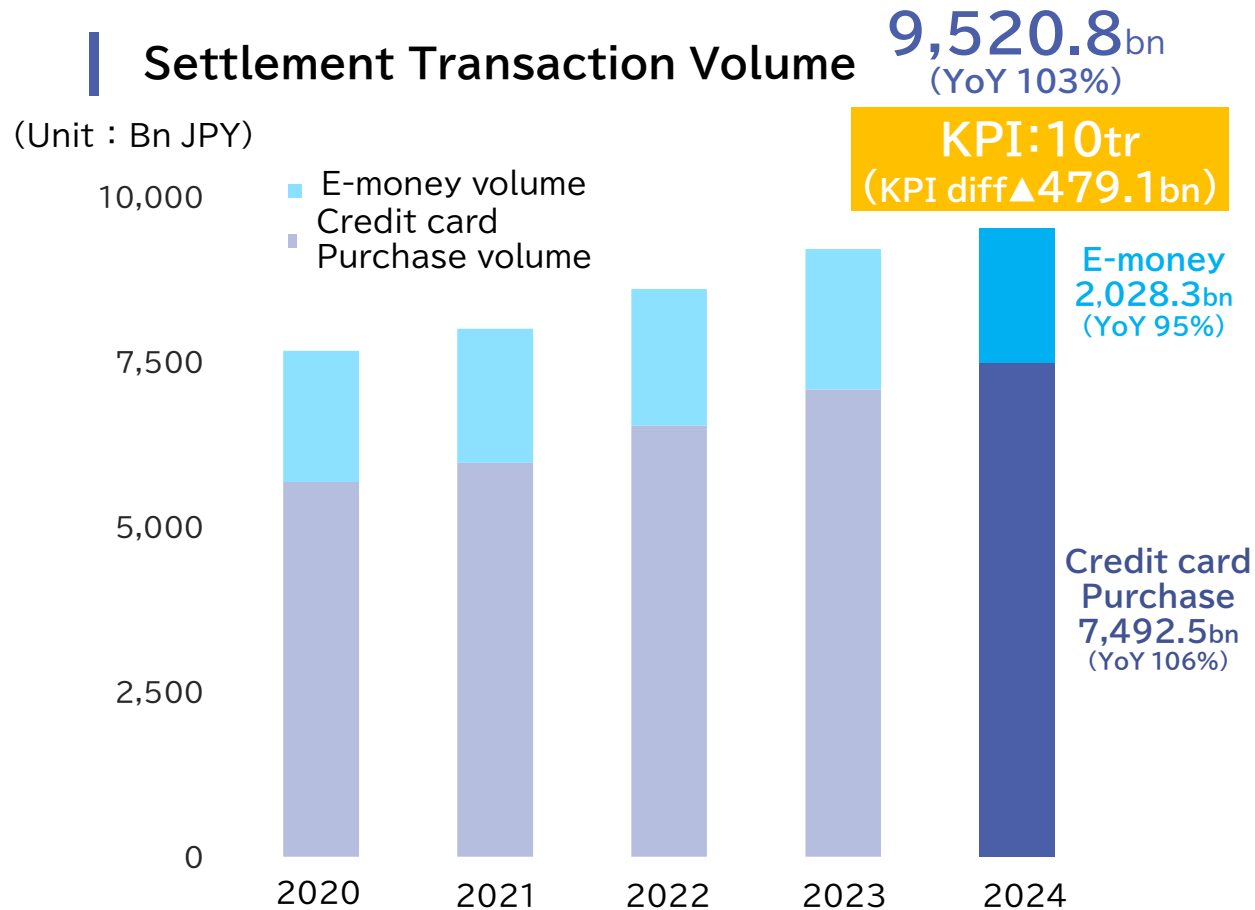
※High-yield loans: revolving credit, installment finance, cash advances, unsecured loans



[Domestic] Credit cards, E-money

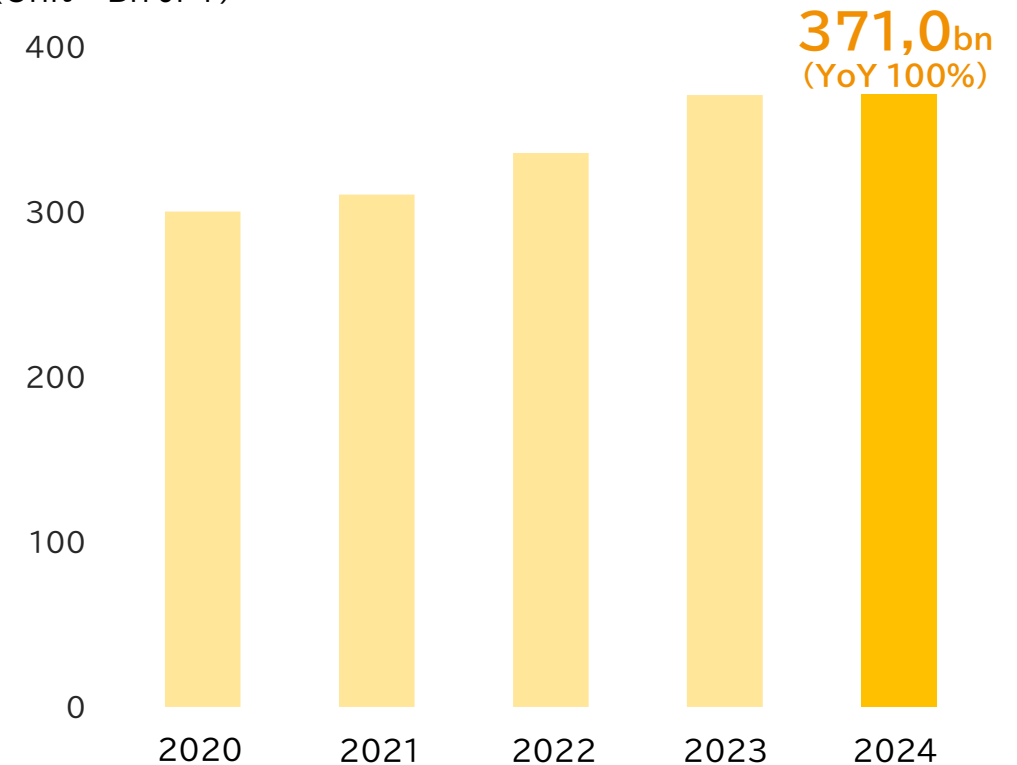
Productivity
(Revenue growth)

- The volume of payment transactions was contributed to by the Gold Card Customer Appreciation Day and the promotion of AEON Pay
- The volume of cash advances handled exceeded the previous year's figure despite a decline in the market volume, due to sales activities that make use of AI



Cash advance transaction volume

(Unit : Bn JPY)



[Domestic] Valid ID Status

Productivity
(Revenue growth)

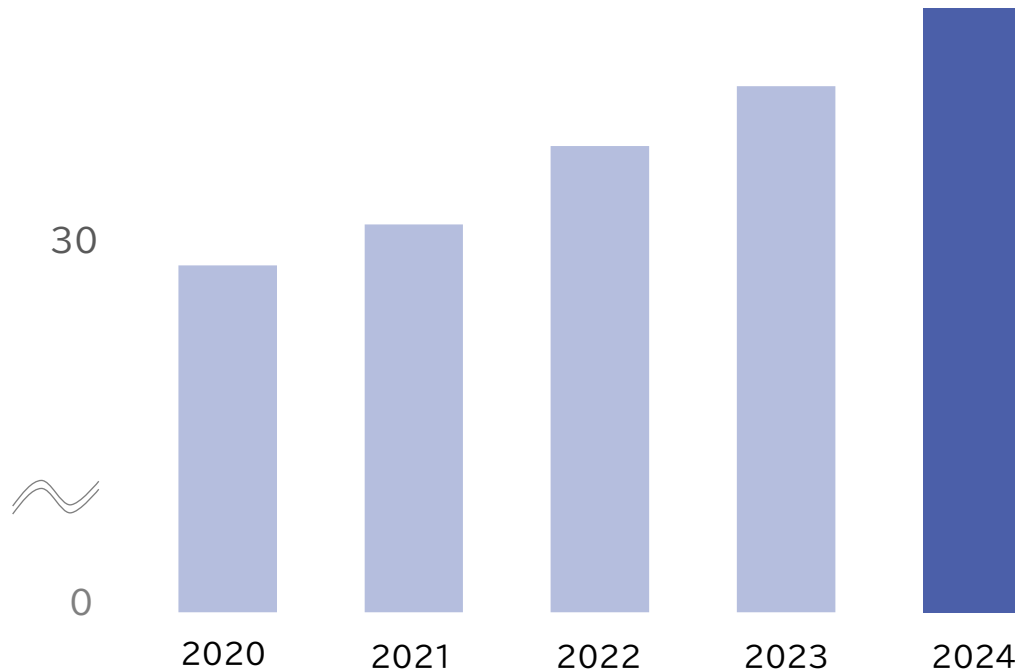
- Disclosed as “valid IDs” in line with expanding products and services
- Work to expand new membership base through AEON Pay, etc.

Number of valid domestic IDs

(Unit : million people)

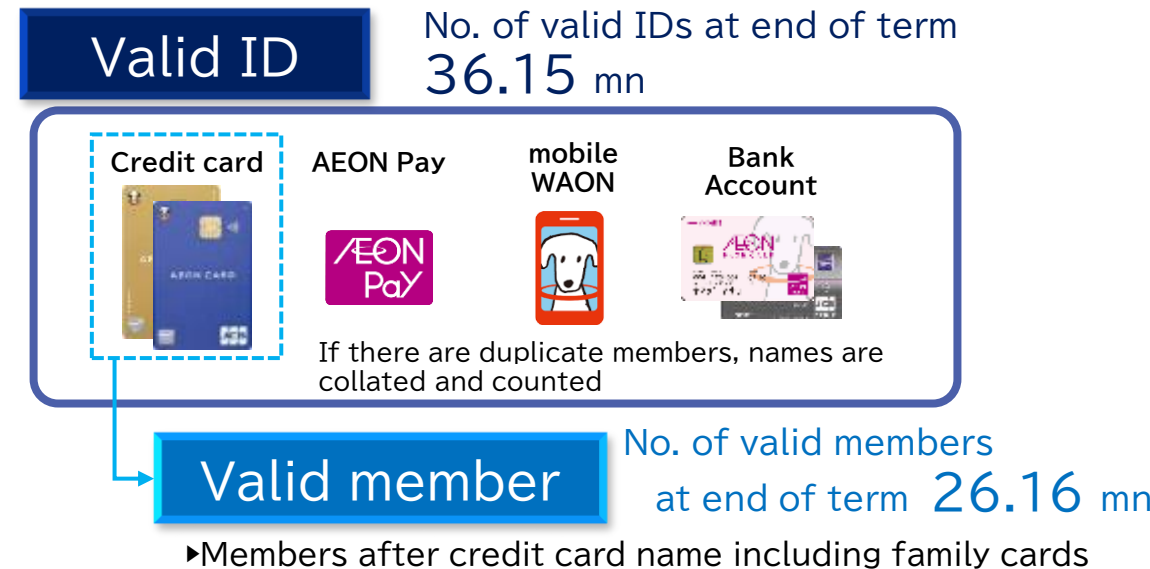
40

36.15 mn ppl
(Difference from
beginning of term
+ 2.09million)



Change in definition of domestic member

ID customers who use each product and service. Further improve value provided based on data analysis.



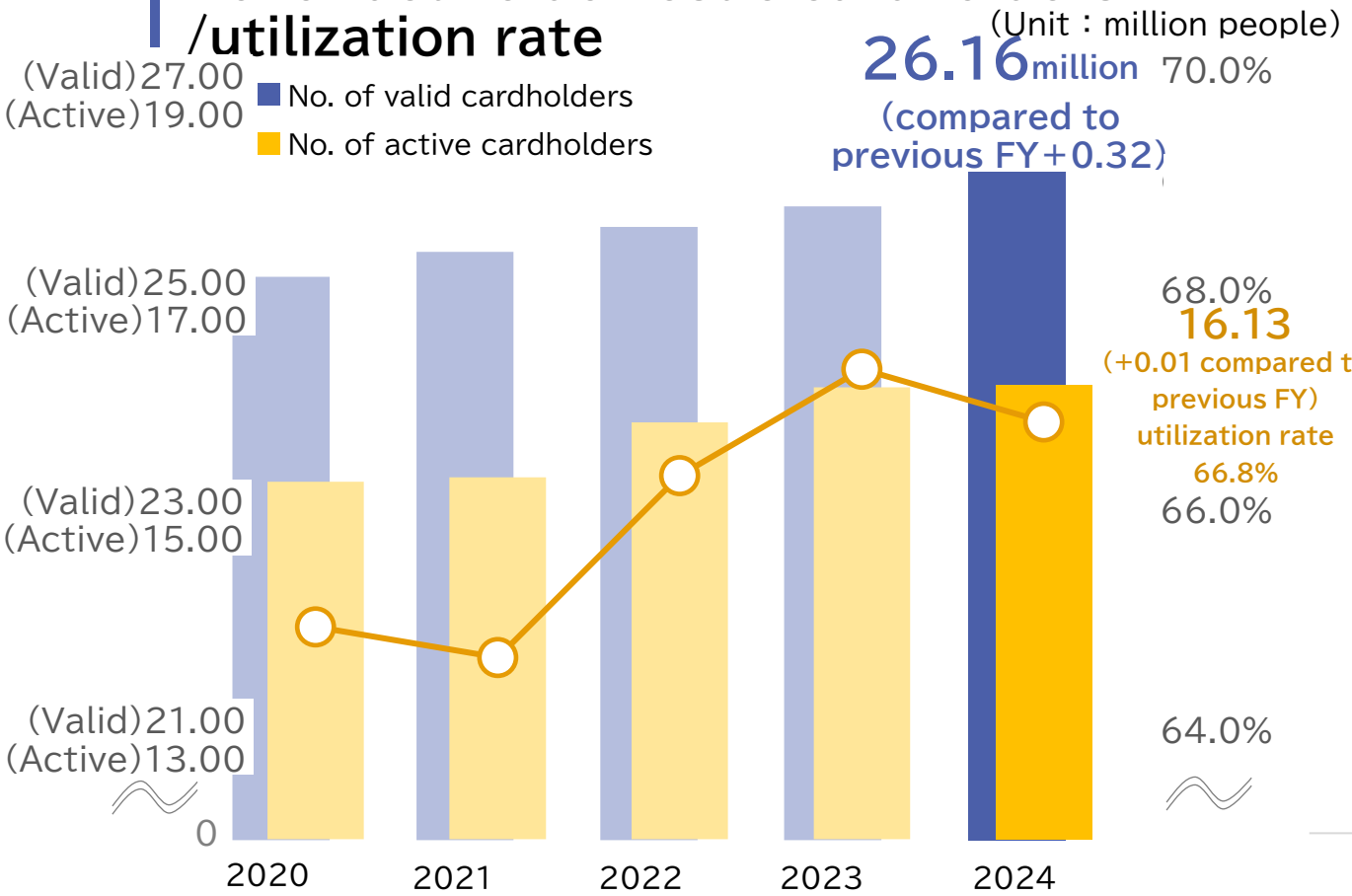
※Valid members of conventional standards are disclosed to credit card members, including some IDs.
※Past figures after the revision of standards are shown in the Financial Results Supplement (Factbook).

[Domestic] Credit card・AEON Pay

Productivity
(Revenue growth)

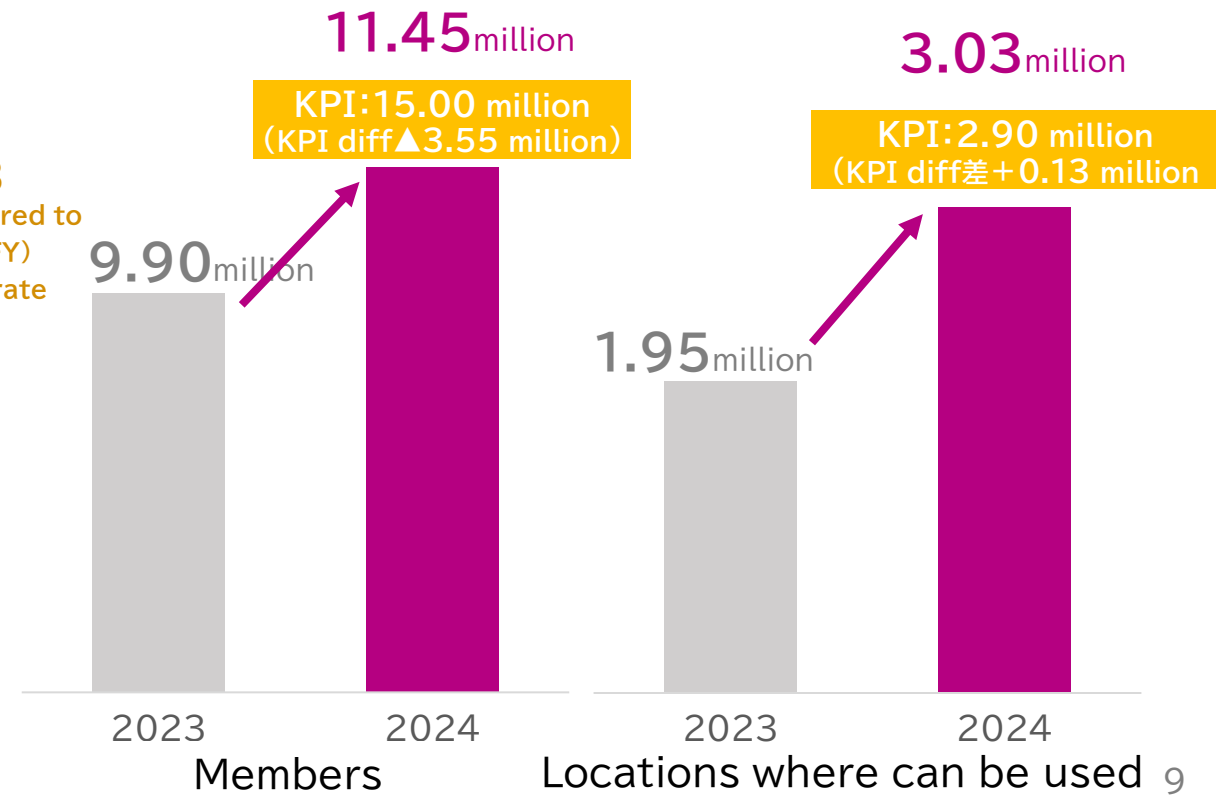
- No. of active cardholders increased by 320,000
Work to increase the no. of active cardholders and improve the utilization rate
- AEON Pay steadily expanded in terms of both the no. of cardholders and locations where AEON Pay can be used. Achieved KPI for locations where AEON Pay can be used

No. of active domestic cardholders /utilization rate



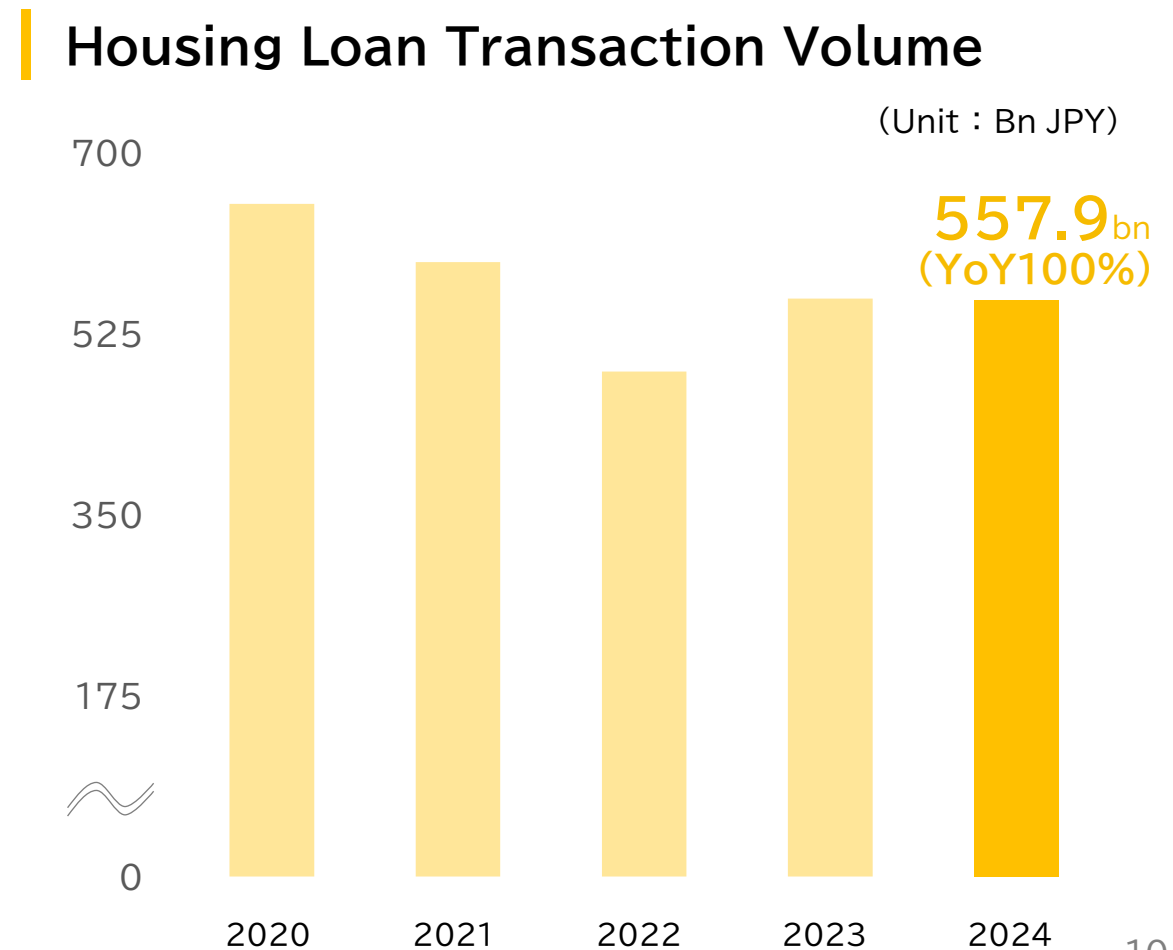
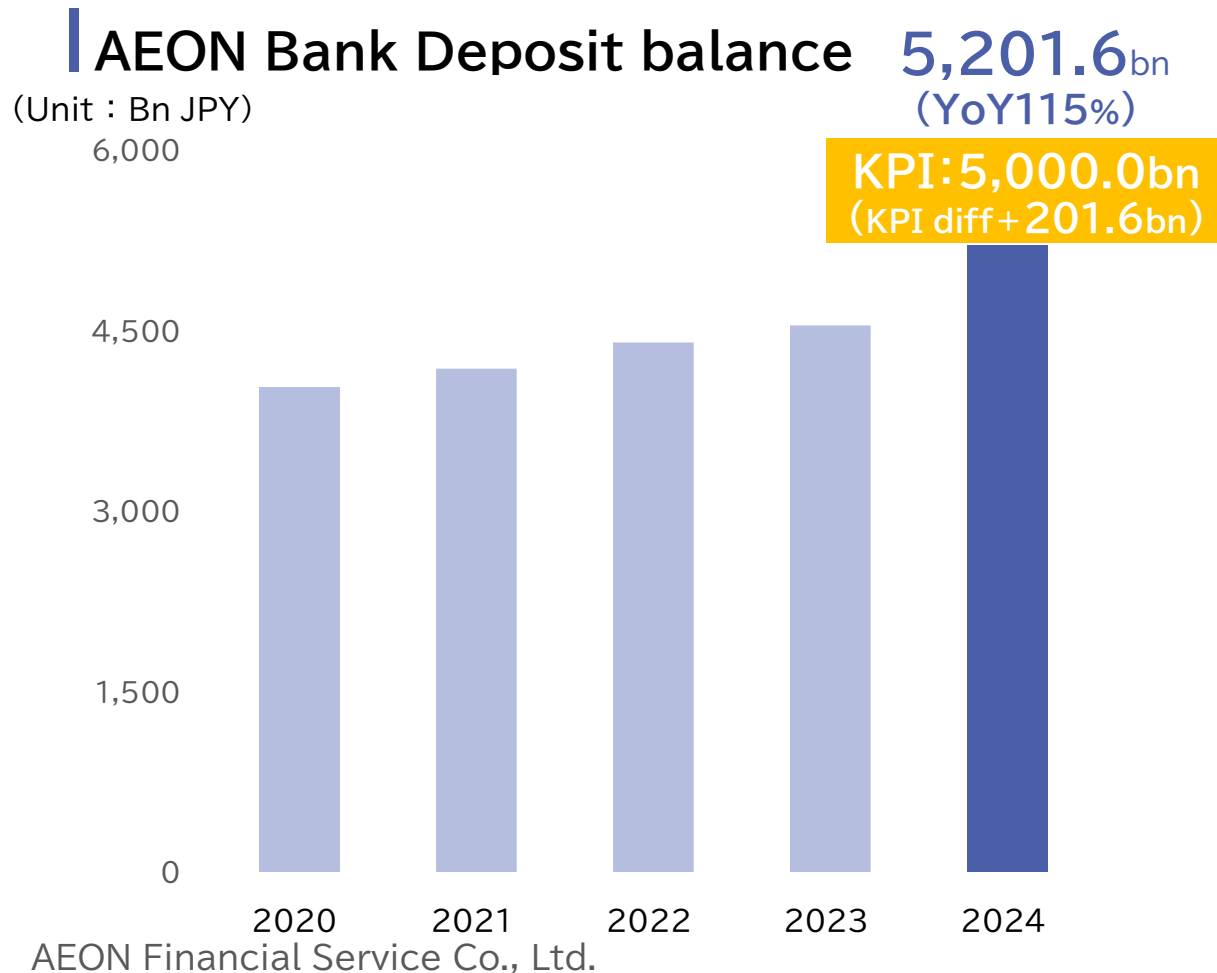
No. of members and available locations

Member Base + Payment Platform



[Domestic] Banking Business

- Winter time deposit campaign boosted YoY115%, up ¥662.2 bn from the beginning of the FY resulting in a record high
- Appealing AEON's unique merits as a financial institution other than interest rates. Mortgage loan volume was at the same level as the previous FY



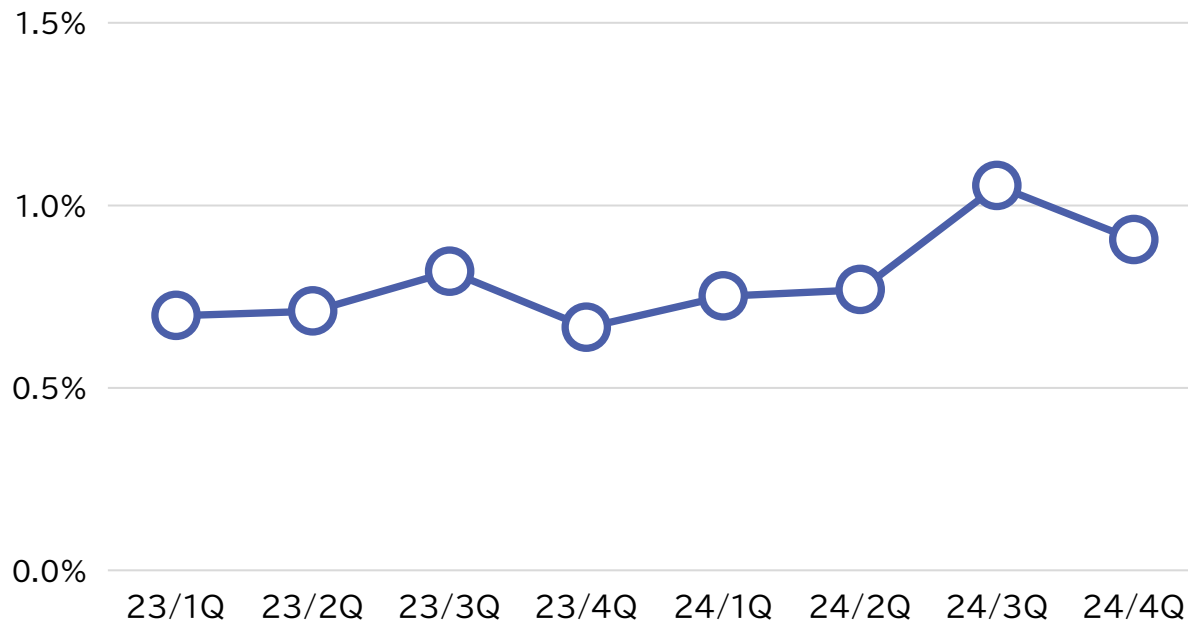
[Domestic] Control of bad debt-related expenses

Productivity
(Cost control)

- Bad debt expense ratio declined to less than 1%
- In addition to strengthening the security system, deepened cooperation with external organizations to share the latest information and implement countermeasures

Quarterly Bad Debt Expense Ratio

※Ratio of bad debt-related expenses to the total balance of revolving, installment, cash advance, and unsecured loans



AEON Financial Service Co., Ltd.

Establishment of a safe and secure usage environment



Identity authentication

- e-KYC authentication with My Number card for card enrollment online
- Increasing registered members through SMS authentication for 3D Secure (identity authentication in EC)



Monitoring

- Using a fraudulent use detection system based on various scores (rule and risk-based) including AI
- Monitoring 365 days a year, 24 hours a day



Collaboration with External Organizations

- Information sharing among various industry associations and reflection in security enhancement
- Joined the Japan Cybercrime Center (JC3), as a regular member to take advantage of the latest information

[Global] Performance Highlights by Segment

- Operating revenues were record high in all three areas
Operating profits also increased in the Global Business
- In the accounting period (3 months), the Malay Area turned profitable and all areas increased profit

Full Year (12 months)	Global business		China Area		Mekong Area		Malay Area	
		YoY		YoY		YoY		YoY
Operating revenue	222.5 bn	115 %	35.5 bn	116 %	95.7 bn	107 %	91.1 bn	125 %
Operating profit	38.7 bn	101 %	9.3 bn	106 %	16.0 bn	101 %	13.4 bn	99 %
<Reference> Bad debt-related exp.	69.0 bn	120 %	8.7 bn	128 %	31.6 bn	105 %	28.6 bn	141 %
Q4 accounting period (3 months)	Global business		China Area		Mekong Area		Malay Area	
		YoY		YoY		YoY		YoY
Operating revenue	58.4 bn	116 %	9.5 bn	113 %	24.1 bn	108 %	24.6 bn	128 %
Operating profit	13.3 bn	114 %	2.9 bn	118 %	5.7 bn	101 %	4.6 bn	130 %
<Reference> Bad debt-related exp.	15.5 bn	130 %	2.0 bn	102 %	6.1 bn	109 %	7.3 bn	169 %

Average exchange rate during the period

※Figures in () are the diff from the same period of the previous year

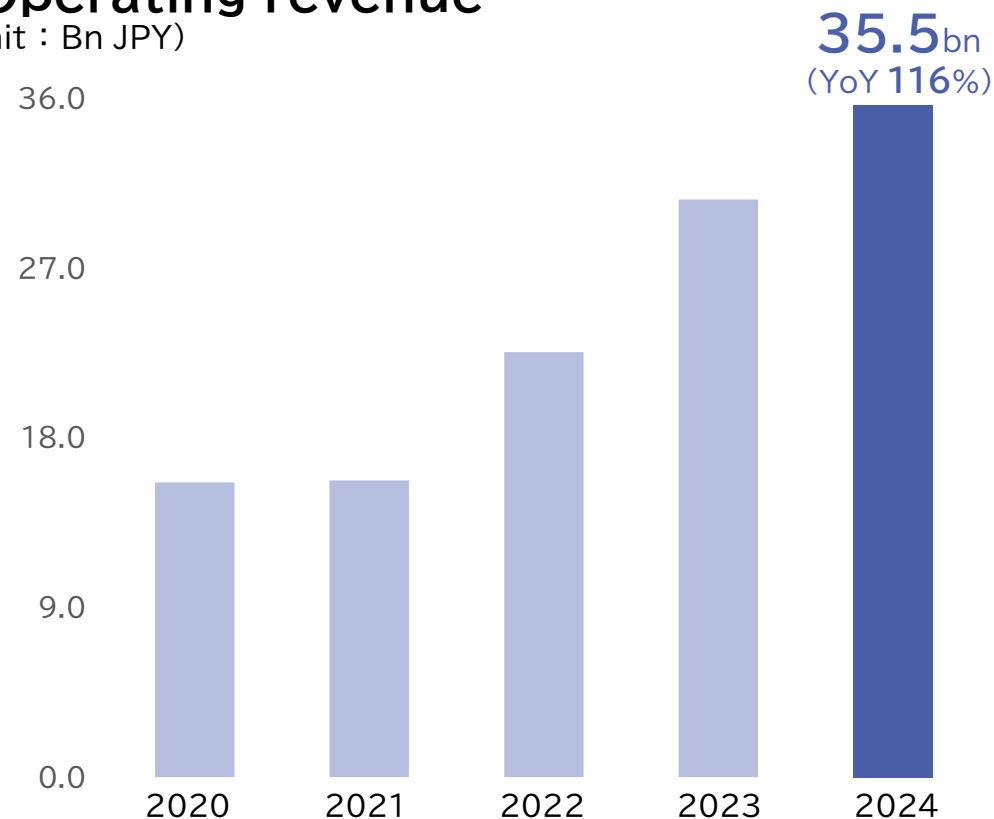
HKD:¥19.57(7.0%weaker yen) THB:¥4.36(6.9% weaker yen) MYR:¥33.74(8.7% weaker yen)

[Global] China Area Performance Highlights

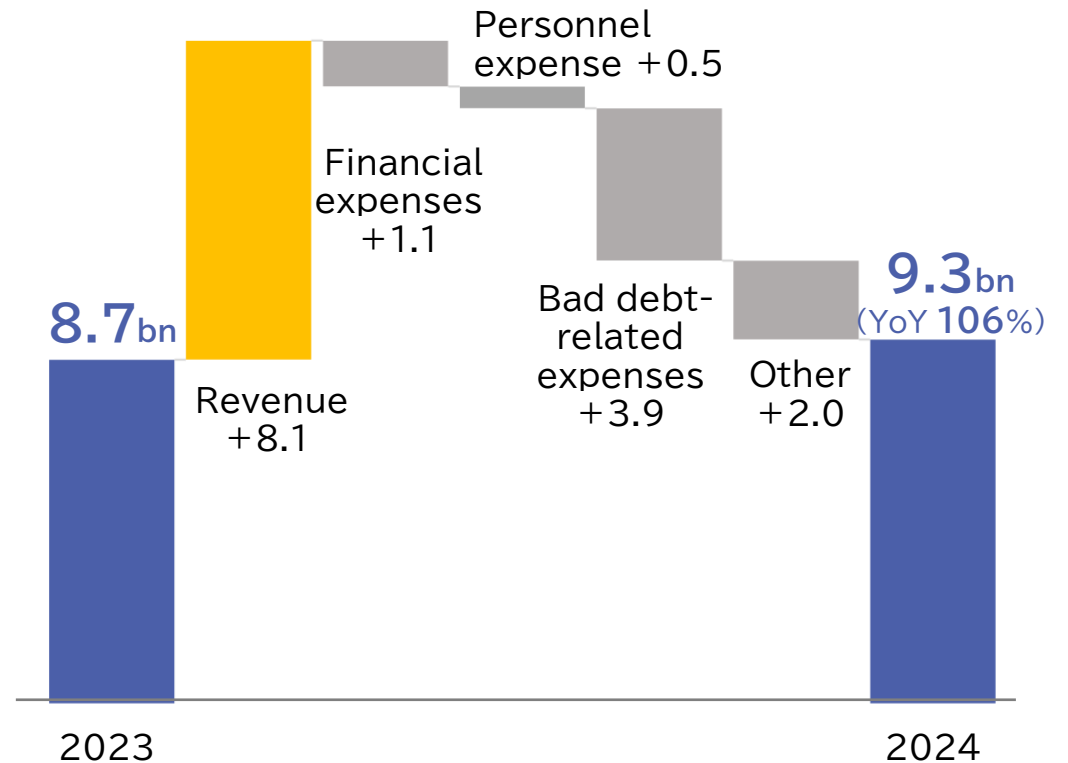
- Earnings increased due to successful responses to changes in the business environment, including the uptake of cross-border consumption demand in the north
- Improved credit screening and credit in process as well as payment status management after the restructuring agreement, which helped curb bad debt-related expenses and boosted revenues

Operating revenue

(Unit : Bn JPY)



Breakdown of operating profit difference from previous FY

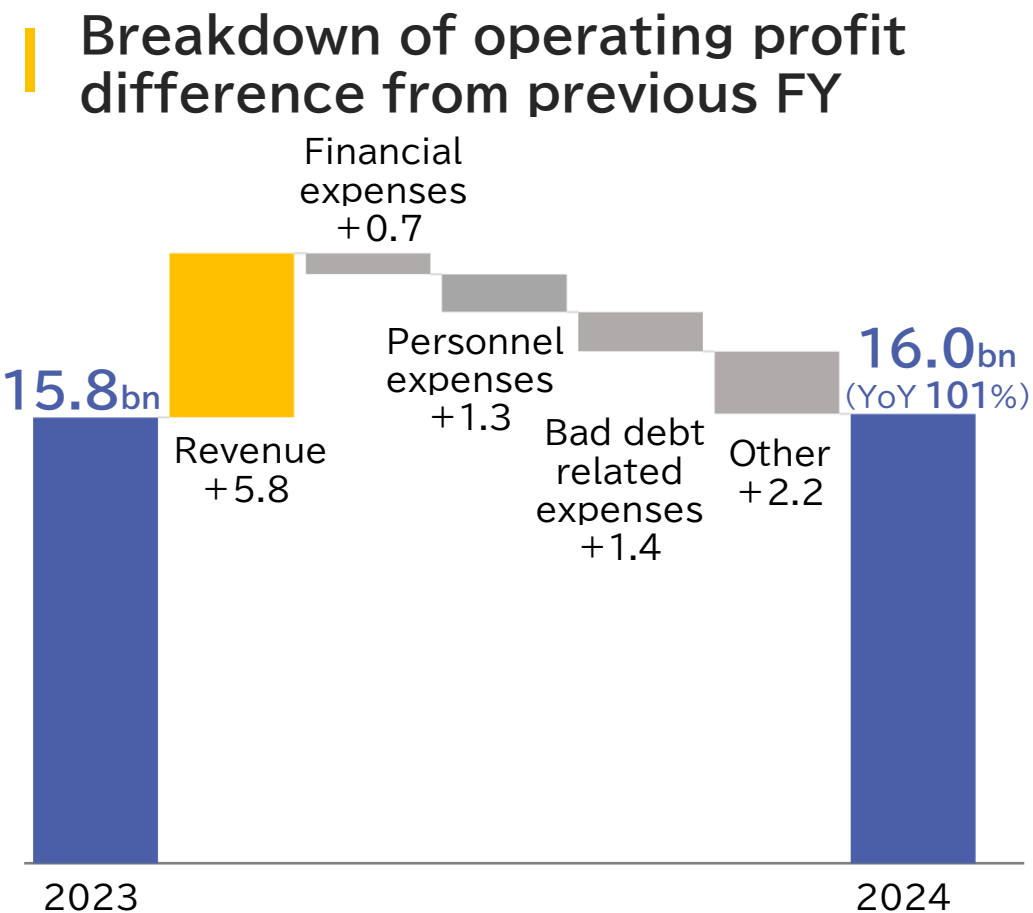
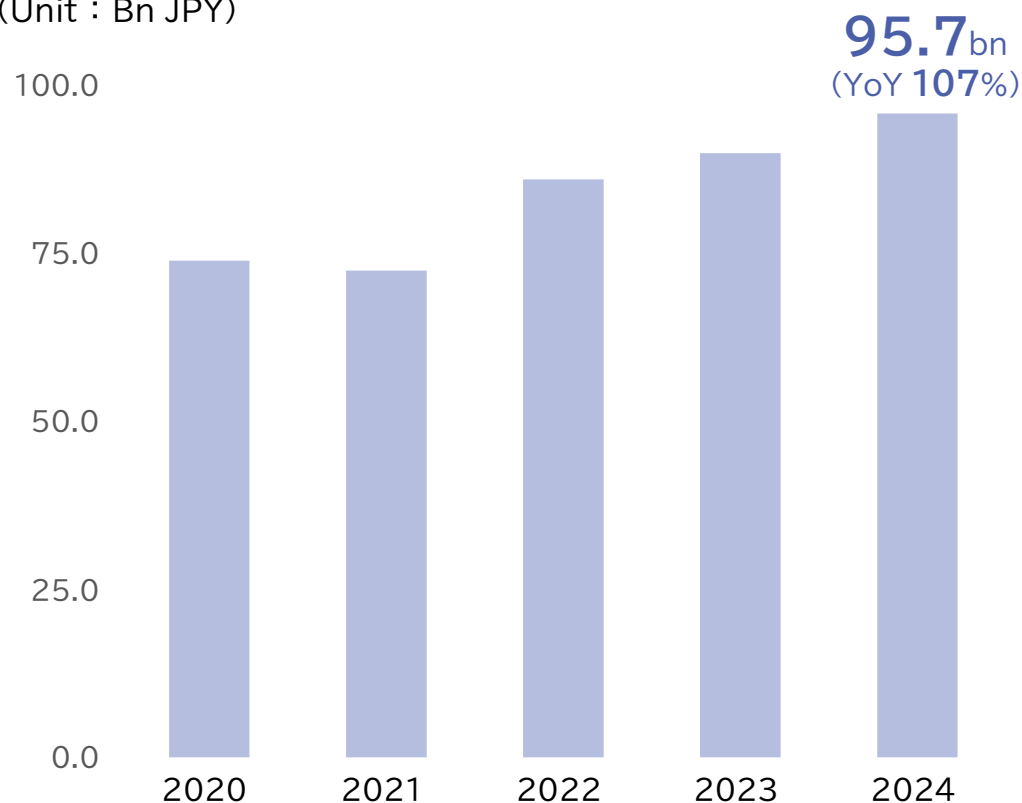


[Global] Mekong Area Performance Highlights

- Although the economic environment requires continued attention, transaction volume increased due to new credit cards and used car loans
- Operating revenue increased despite higher personnel expenses and bad debt-related expenses

Operating revenue

(Unit : Bn JPY)

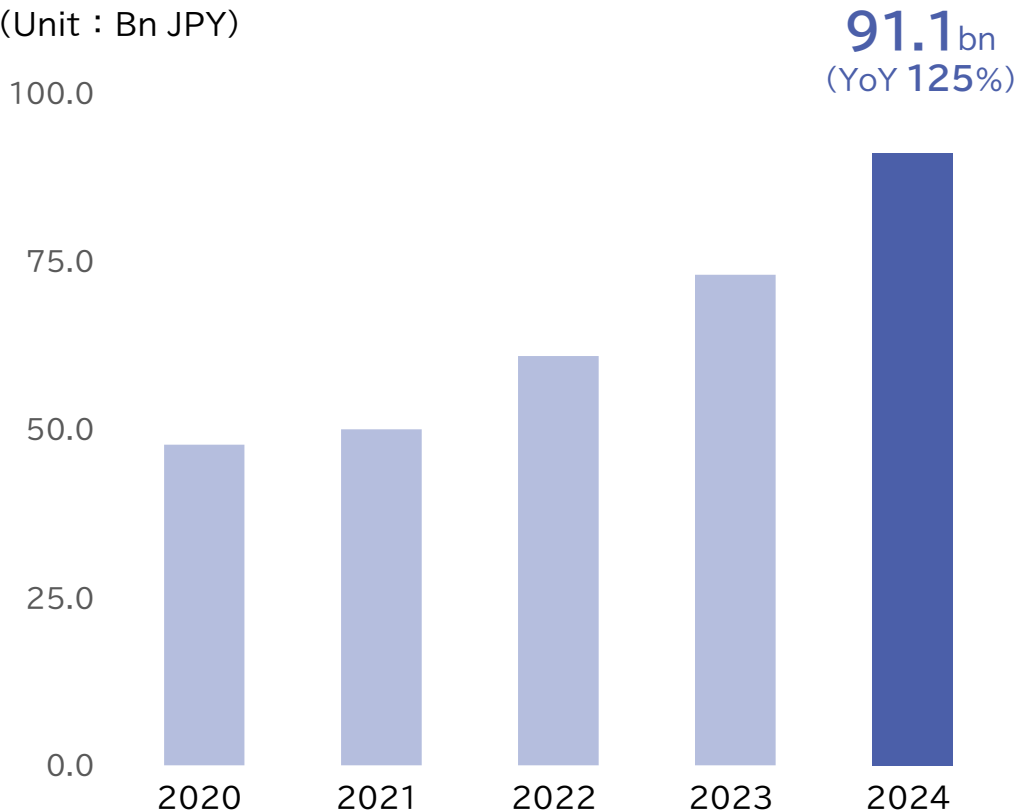


[Global] Malay Area Performance Highlights

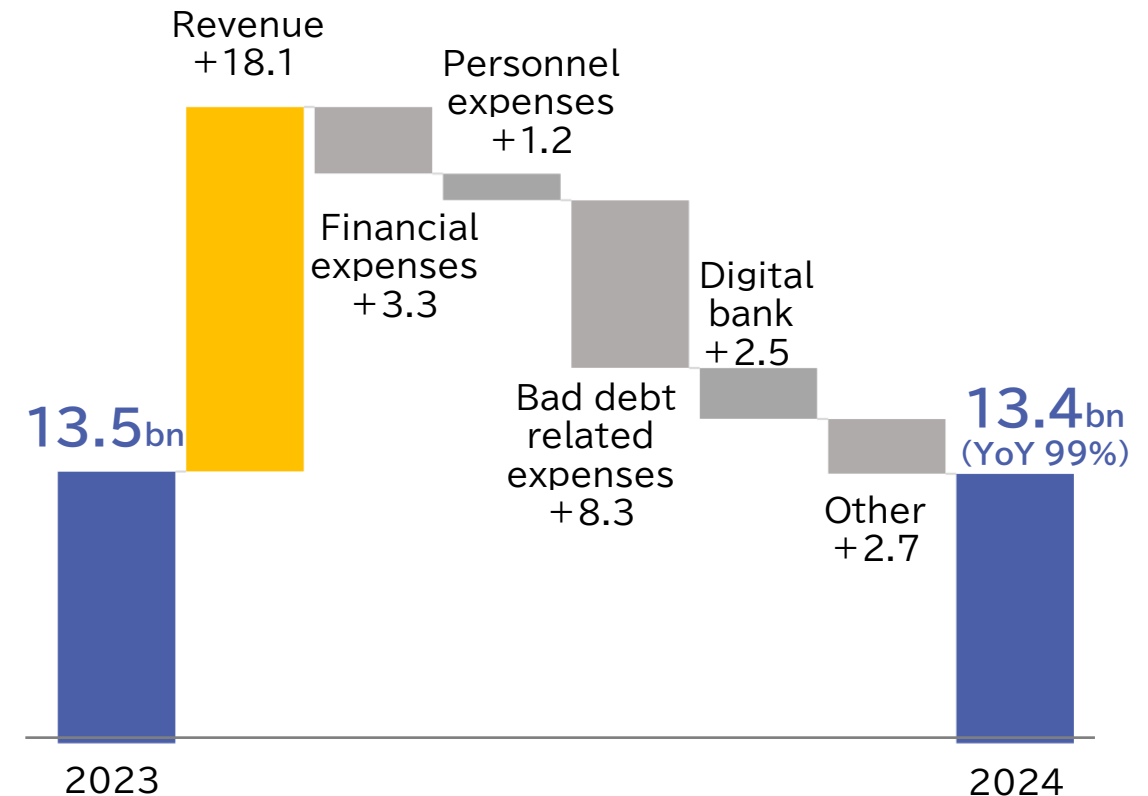
- In addition to the mainstay installment sales finance, volume and balance of personal loans increased, and revenue grew 125% YoY
- Despite bad debt-related expenses associated with an increase in the balance of receivables and expenses associated with the opening of the Digital Bank, operating revenue was on par with last year

Operating revenue

(Unit : Bn JPY)

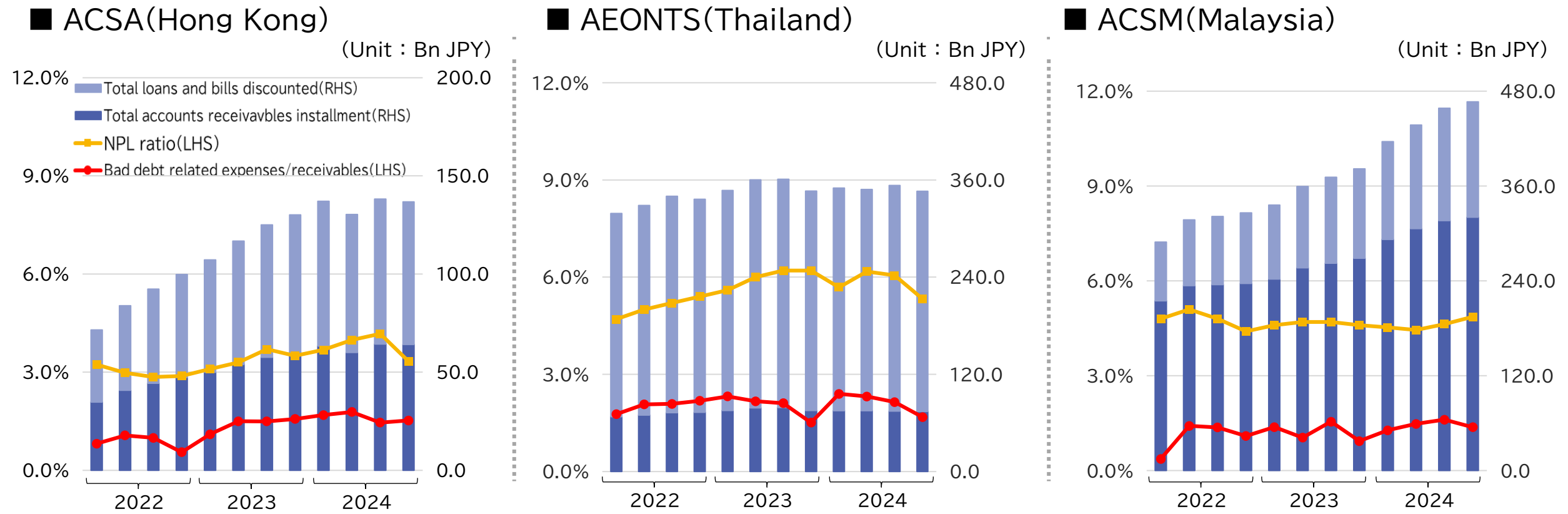


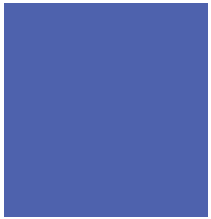
Breakdown of operating profit difference from previous FY



[Global] Balance of Receivables and NPL of Listed Subsidiaries

- ACSA: The no. of bankruptcies in the whole market remains high, but the ratio of bad debt-related expenses is stable
- AEONTS: The NPL ratio decreased due to the sale of delinquent loans, and the ratio of bad debt-related expenses has decreased due to a reversal of provisions due to the floods
- ACSM: The balance of receivable loans is increasing steadily, and the NPL ratio is stable



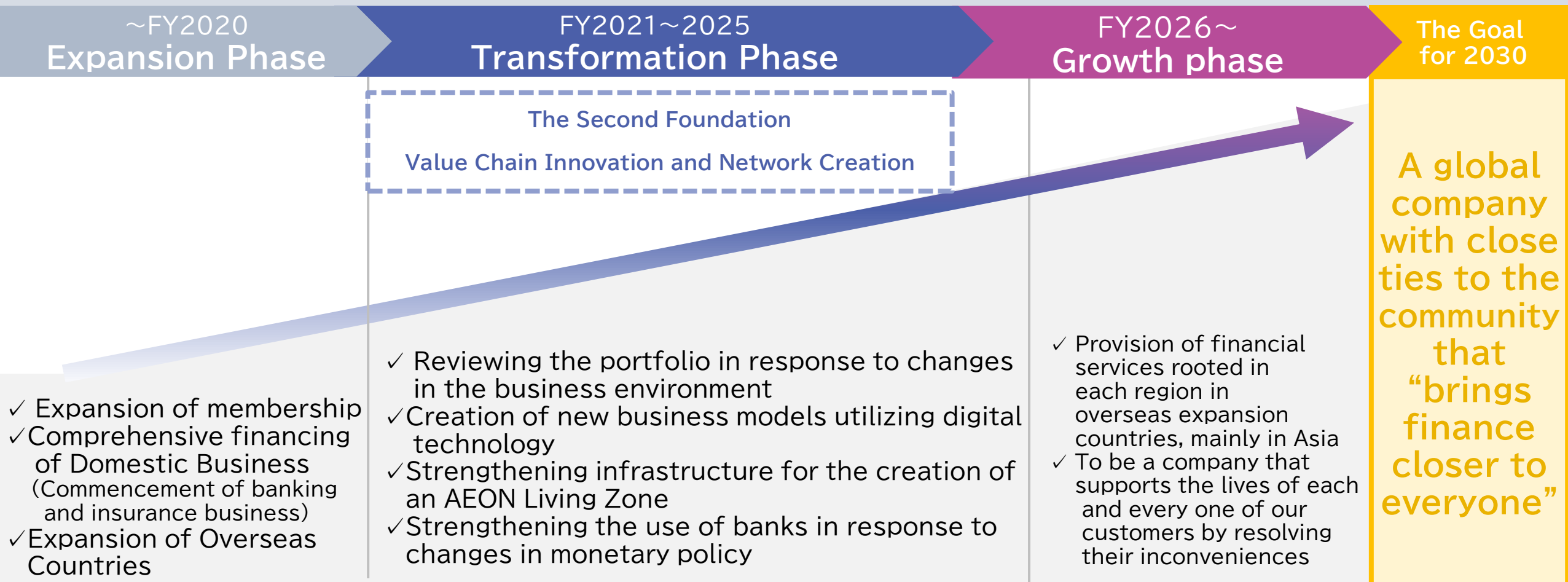


Initiatives to Enhance Corporate Value

Positioning of the mid-term management plan “Second Foundation: Value Chain Innovation and Network Creation”

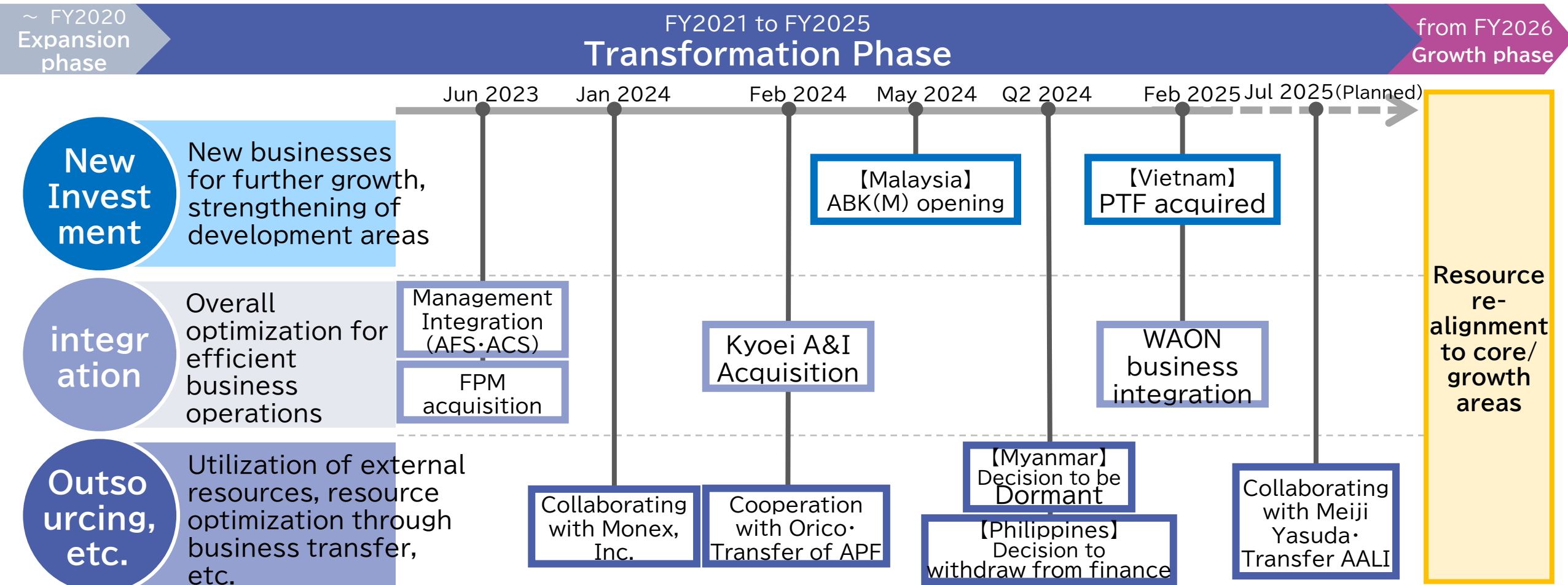
Our Purpose

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.



[Review of business portfolio] Initiatives

- Continue to promote a review of the business portfolio with the aim of enhancing corporate value
- Decided to transfer the 85.1% share of AEON-Allianz Life Insurance (a life insurance business) to Meiji Yasuda Life Insurance Co.



Partnership with Meiji Yasuda

- Meiji Yasuda signs a comprehensive partnership agreement with AEON to expand value offered to customers
- Utilize the management resources of both parties to mutually send customers and provide new products and services.



明治安田

Physical stores
spread over
approx. 16,000

approx. 36 million
customer IDs



Joint operation of credit card business

Issuing affiliated cards and
recruiting members through
sales staff

New value co-creation through data utilization

Development of new
products and services
utilizing data from both
parties

Network of
approx. 36,000
MY Link coordinators
(sales staff)



Creating New Value through Partnerships

Transfer of AEON Allianz Life Insurance to Meiji Yasuda

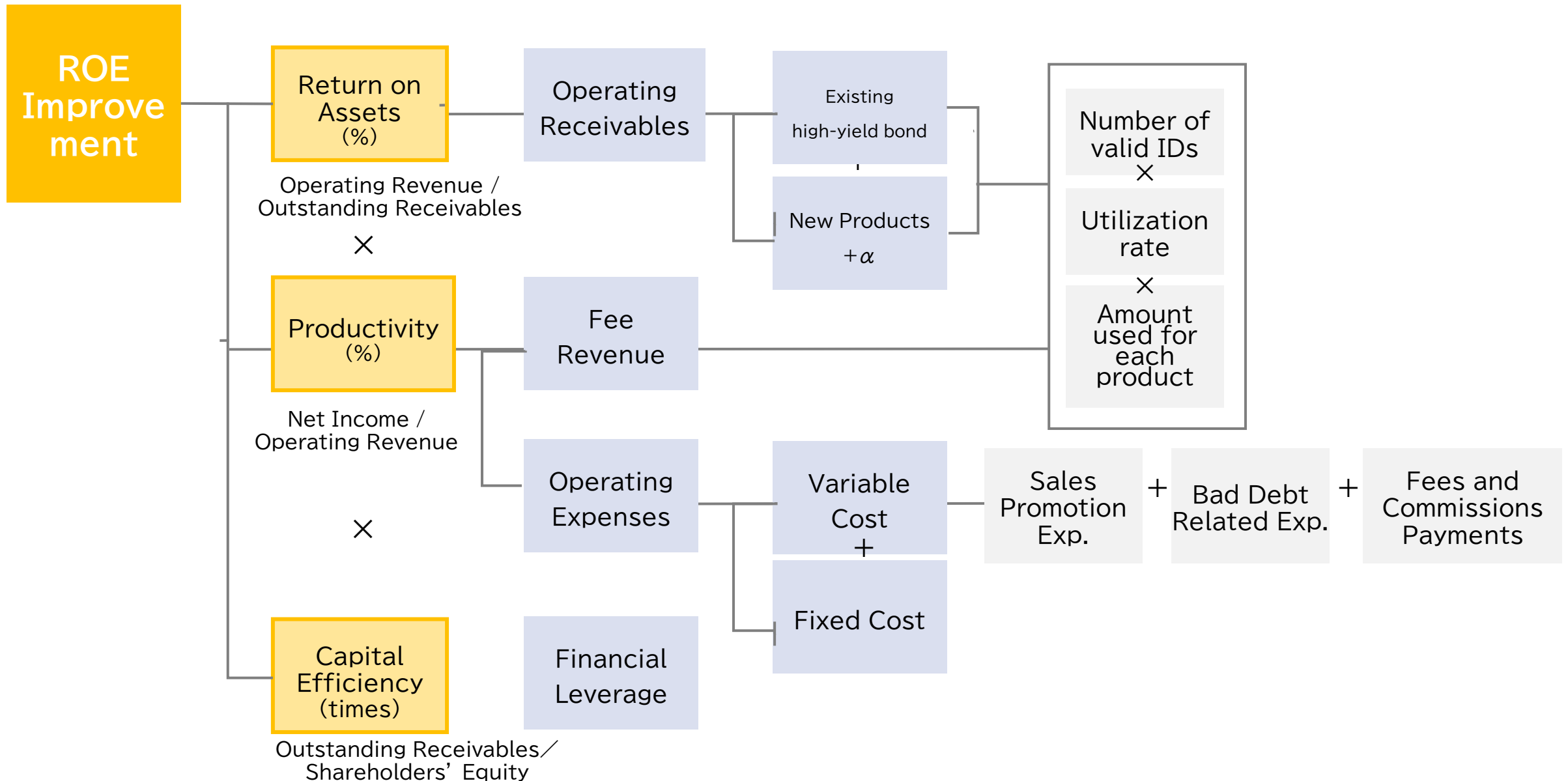
Transfer of 85.1% of equity
Optimization of management
resources

Health promotion and asset management support

Holding seminars, events, etc.
at the Aeon Group's network of stores

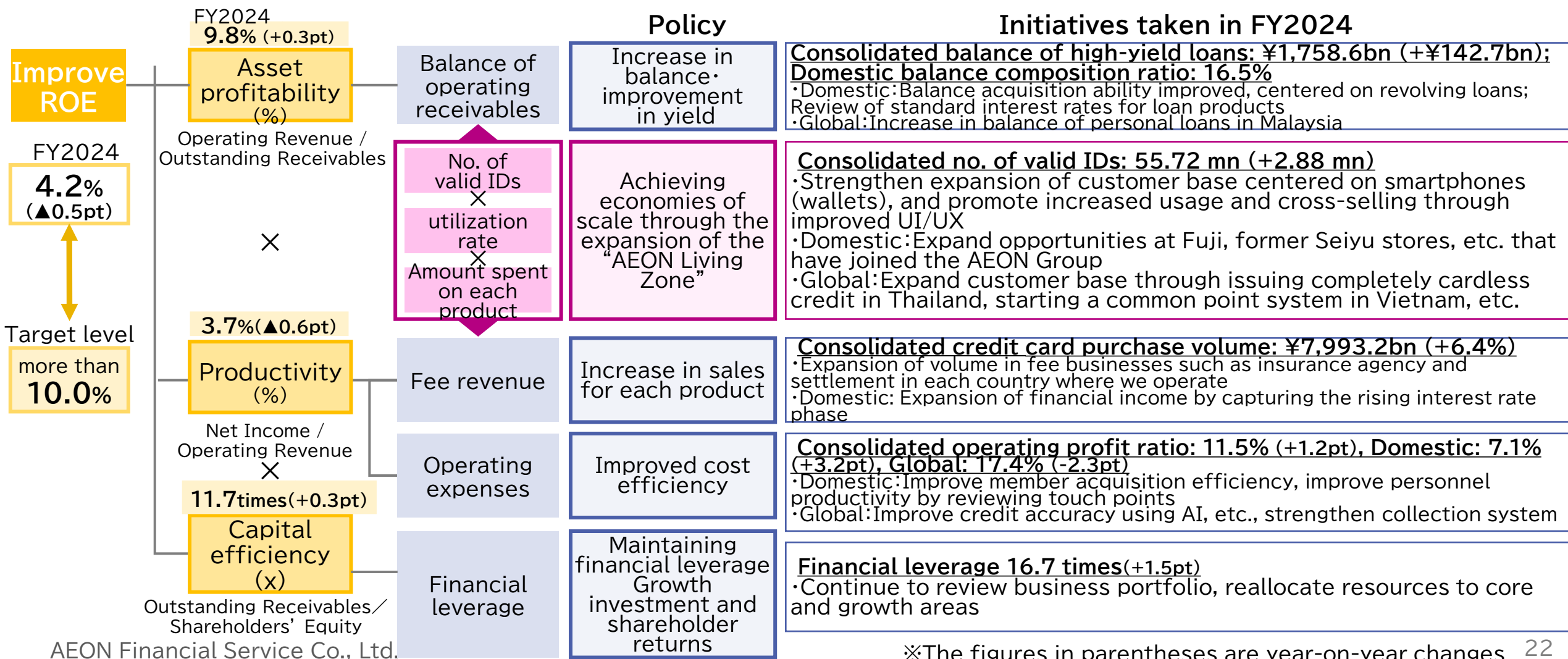
Approach to ROE Improvement

【Repost】

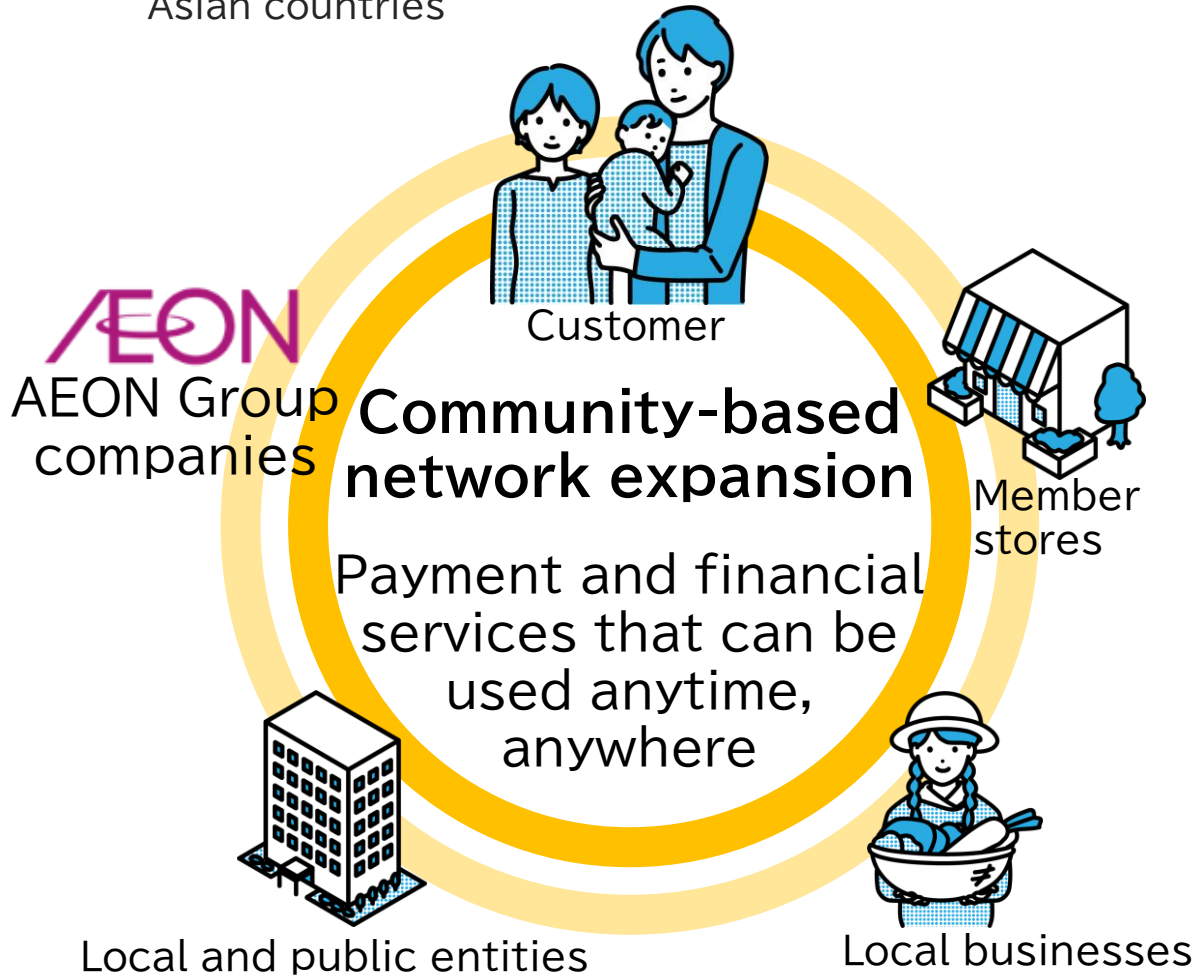


ROE improvement] Progress of initiatives in FY2024

- ROE was 4.2% (YoY -0.5 pt). There is a gap with the target level, and it is urgent to recover to the growth trajectory
- To improve “valid IDs”, “usage rates” and “usage amounts”, which contribute to improving asset profitability and productivity, we will further strengthen the expansion of the “AEON Living Zone”



- To be an infrastructure that connects communities, member stores, and business partners by providing financial services that are rooted in the community in each country where we operate
- Build an AEON Living Zone that creates a borderless customer experience through collaboration in Japan and other Asian countries

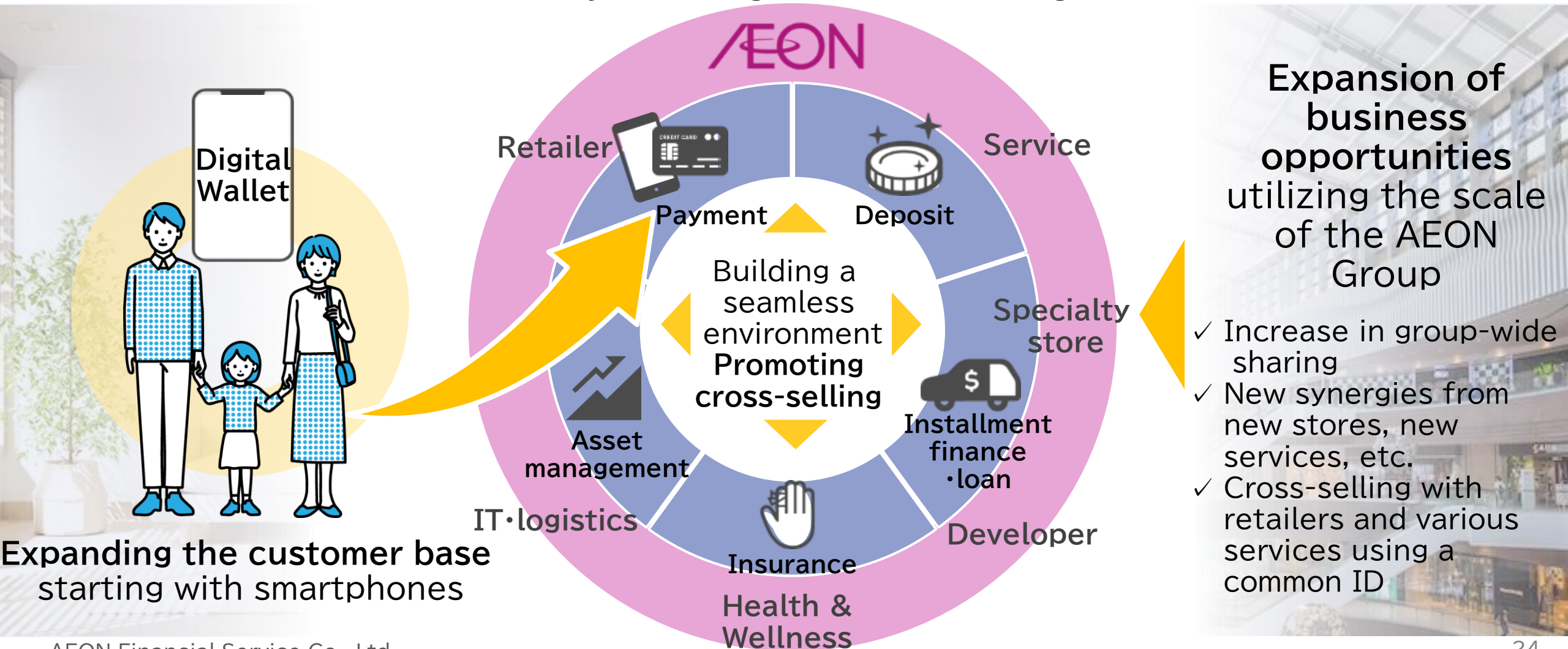


Payment Network Connecting Asia

Collaborate in each country to create a seamless customer experience across countries

Building touchpoints starting with a digital wallet (smartphone)

- Starting with the familiar point of contact of the digital wallet (smartphone app), we will expand our customer base and promote cross-selling of various financial services by creating a seamless usage environment



[Domestic] Customer experience starting with AEON Pay

- Consolidate the WAON Value Issuer Business※, expand the customer and member store networks, and strengthen regional collaboration
- Work to create new shopping experiences and expand the infrastructure centered on AEON Pay

A merger of AEON Pay and WAON

Code payment contactless payment

Expansion of customer and member base

Creating an environment
where both codes &
contactless payment
can be used



Mutual
use of
balances

Strengthening ties with the local community

Equipped with a
“donation to local area”
function
Further strengthening of
regional collaboration



New AEON Pay



Creating a new purchasing experience

A new customer experience
with biometric authentication
Equipped with “Palm Payment”
Allows you to pay without
carrying your wallet



Payment network connecting Asia

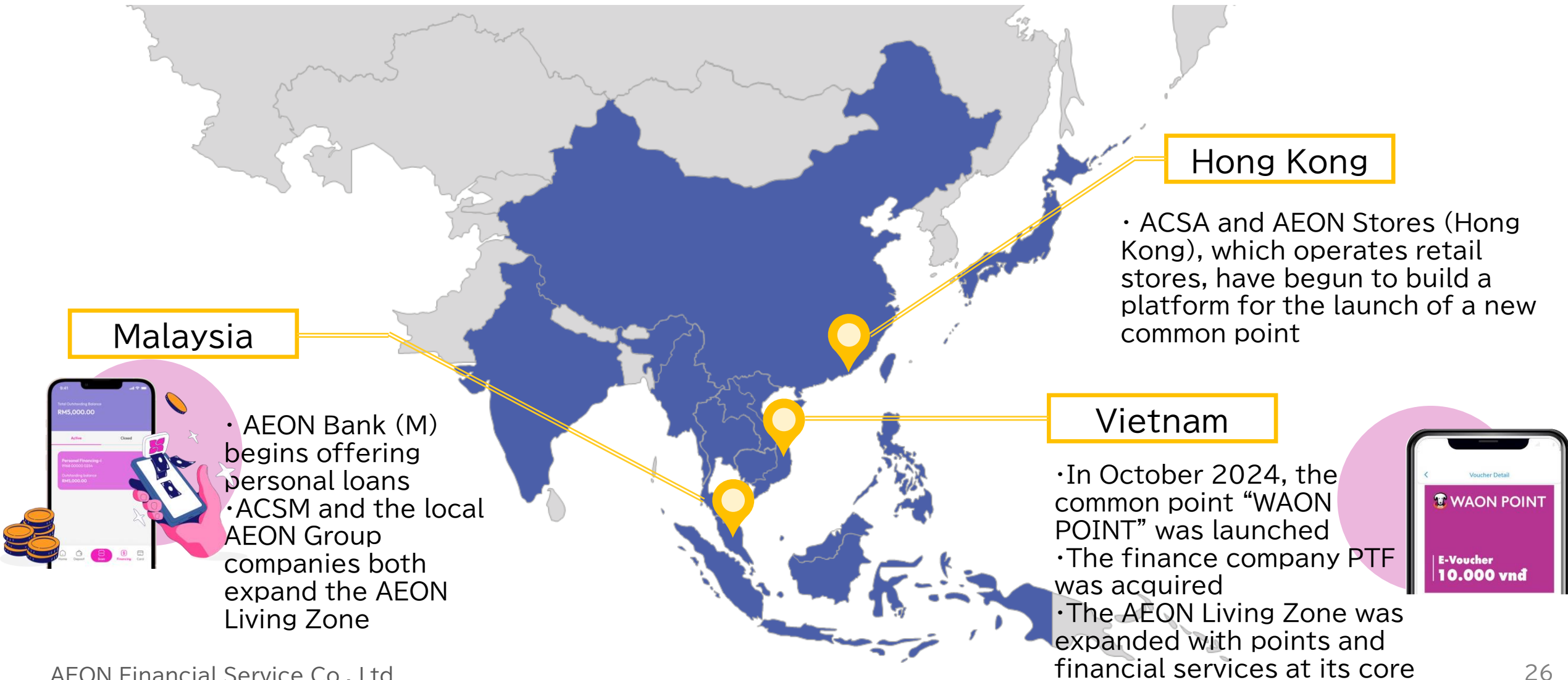
Linked to the payment
systems of various
countries
Use your usual payment
method when traveling



Local Code Payment

[Global] Expansion of the AEON Living Zone of life and the realization of group synergy

- Further strengthening collaboration, such as by starting a common point system with local AEON Group companies in each country where we operate



Initiatives related to human resources

- Regarding “human resources”, which are becoming increasingly important in a changing environment, we will accelerate our efforts to develop a foundation that makes the very best use of our people and supports their growth

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.

The Goal for 2030

A global company with strong local roots that is “bringing finance closer”

Approach to human resources

We respect the humanity and diversity of our employees, and have established a management system that allows each individual to maximize their abilities

Investment in human resources for realization

Strengthening of overseas and DX fields

Proactive recruitment in areas requiring specialized knowledge
Strengthening of group-wide education

Leadership Development・Career Support

HR exchange in Japan and overseas to develop next-generation leaders
Career development support and opportunities for growth experiences

Human Resources Portfolio

Development of a management platform for the entire company to ensure the appropriate allocation of resources to core and growth areas

Common HR System

Establishment of a common HR system in Japan
Transition to a system that values challenges



Earnings and Dividend Forecasts

KPI for FY2025

- Aiming to achieve sustainable improvement in ROE through increased asset profitability and productivity resulting from the expansion of the AEON Living Zone

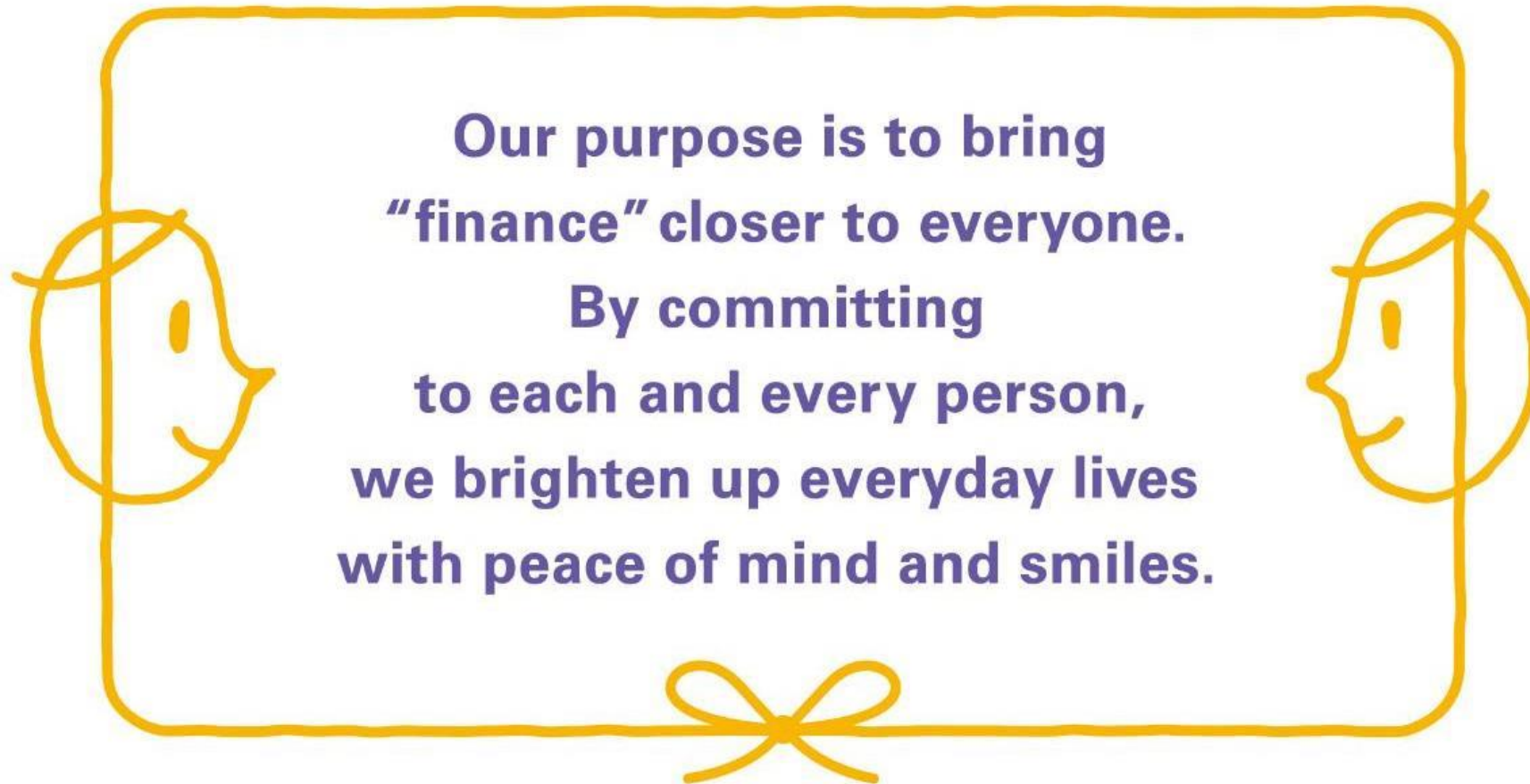
Policy	KPI for domestic	
	Indicator	Target for 2025
“AEON Living Zone” expansion to realize economies of scale	Locations where AEON Pay can be used	+1 million locations
Increase in balance and improvement in yield	Balance of high-yielding loans outstanding	+¥55.0 bn
Increase in transaction volume for each product	In-house settlement volume	¥10.0 tr (+¥0.5 tr) Credit cards: ¥8 tr, e-money: ¥2 tr
	Balance of bank deposit	+¥500.0 bn

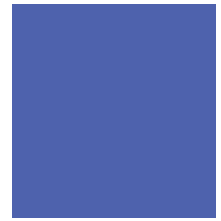
FY2025 earnings forecast, dividend forecast

(Unit : JPY)

	Consolidated	YoY				
			Domestic	YoY	Global	YoY
Operating Revenue	570.0 bn	107 %	330.0 bn	105 %	240.0 bn	108 %
Operating Profit	57.0 bn	93 %	19.0 bn	85 %	39.0 bn	101 %
Ordinary Profit	57.0 bn	91 %	Dividend per share		Payout ratio	
Profit attributable to owners of parent	21.0 bn	108 %	Annual: 53	Interim: 25 Year-end: 28	54.5 %	

Our Purpose





Appendix

FY Ending February 2025 Q4 (3 months) Consolidated Financial Highlights

	Consolidated	YoY				
			Domestic	YoY	Global	YoY
Operating Revenue	144.4 bn	111 %	86.6 bn	108 %	58.4 bn	116 %
Operating Profit	23.5 bn	98 %	10.0 bn	82 %	13.3 bn	114 %
Ordinary Profit	23.6 bn	98 %	—	—	—	—
Profit attributable to owners of parent	5.7 bn	48 %	—	—	—	—

Consolidated Balance Sheet

(Unit : Bn JPY)

	FY 2024			FY 2024	
	Full Year Results	YTD		Full Year Results	YTD
Cash and deposits	814.7	+149.2	Deposits	5,206.2	+667.8
Operating Loans	988.9	+70.1	Accounts payable-trade	317.8	+49.2
Loans and bills discounted for banking business	2,670.4	+331.2	Interest-bearing debt (excl. deposits)	1,309.2	▲ 3.8
Accounts receivables-installment	1,747.3	▲ 96.1	Other	337.4	+86.1
Allowance for doubtful accounts	▲ 131.6	▲ 10.9	Total liabilities	7,170.7	+799.4
Other	1,670.4	+371.3	Total net assets	589.6	+15.3
Total assets	7,760.3	+814.8	Total liabilities and net assets	7,760.3	+814.8

Results by Segment

(Unit : Bn JPY)	Domestic			Global Total ※1				Consol. Total ※1
	Total ※1	Retail	Solutions		China Area	Mekong Area	Malay Area	
Operating Revenue	313.1	193.3	192.5	222.5	35.5	95.7	91.1	533.2
YoY	107%	112%	101%	115%	116%	107%	125%	110%
Operating Profit	22.2	10.5	9.8	38.7	9.3	16.0	13.4	61.4
YoY	191%	224%	117%	101%	106%	101%	99%	123%
Operating Profit Ratio	7.1%	5.4%	5.1%	17.4%	26.2%	16.7%	14.7%	11.5%
Change	+3.2pt	+2.7pt	+0.7pt	▲2.3pt	▲2.5pt	▲0.9pt	▲3.8pt	+1.2pt

(Reference) The impact on revenue due to securitization ¥23.6bn (+¥3.1bn compared to the previous FY) ※2

※1 Domestic and Global figures are after elimination of intersegment transactions in each business segment.
Consolidated figures include headquarters, functional companies, and consolidated eliminations.

※2 From FY23, the method of recording revenue from securitization has been partially changed.
The impact on revenue under the previous method was ¥21.8bn (+¥3.8bn compared to the previous FY).

Results by Area

(Unit : Bn JPY)		Transaction volume	YoY	Operating receivables (Before securitization)	YTD
Domestic	Credit card	7,863.5	106%	1,860.4	+144.0
	credit card shopping	7,492.5	106%	1,432.5	+128.4
	(of which, revolving and installment)	-	-	361.5	+50.7
	cash advance	371.0	100%	427.9	+15.5
	Housing loan	557.9	100%	3,864.7	+304.1
	Other	-	-	1,288.1	+111.8
	Total	-	-	7,013.3	+559.9
Global	Credit card	690.6	119%	301.0	+5.1
	credit card shopping	500.7	117%	156.0	+4.8
	cash advance	189.9	127%	144.9	+0.3
	Installment finance	167.8	118%	345.5	+56.6
	Personal loans	222.3	108%	386.7	+65.8
	Other	-	-	0.5	+0.5
	Total	-	-	1,033.8	+128.2

Cumulative Results of Overseas Listed Companies (Local Currency)

		FY 2023	FY 2024	
		Full Year Results	Full Year Results	YoY
AEON CREDIT SERVICE (ASIA) HK\$' 000	Revenue	1,623,321	1,759,316	108%
	Profit before tax	472,528	476,816	101%
	Profit for the period	392,270	400,478	102%
AEON THANA SINSAP (THAILAND) BAHT' 000	Revenue	21,965,263	22,101,767	101%
	Profit before tax	4,161,381	3,847,634	92%
	Profit for the period	3,337,856	2,950,505	88%
AEON CREDIT SERVICE (M)Berhad RM' 000	Revenue	1,912,491	2,200,723	115%
	Profit before tax	581,749	581,838	100%
	Profit for the period	424,018	370,611	87%

Cumulative Results of Overseas Listed Companies (Yen conversion)

(Unit : Bn JPY)		FY 2023	FY 2024		Exchange rates
		Full year Results	Full Year Results	YoY	
AEON CREDIT SERVICE (ASIA)	Revenue	29.6	34.4	116%	<u>(JPY / HKD)</u> • FY2023 Q4 : ¥18.29 • FY2024 Q4 : ¥19.57
	Profit before tax	8.6	9.3	108%	
	Profit for the period	7.1	7.8	109%	
AEON THANA SINSAP (THAILAND)	Revenue	89.6	96.3	108%	<u>(JPY / THB)</u> • FY2023 Q4 : ¥4.08 • FY2024 Q4 : ¥4.36
	Profit before tax	16.9	16.7	99%	
	Profit for the period	13.6	12.8	94%	
AEON CREDIT SERVICE (M)Berhad	Revenue	59.3	74.2	125%	<u>(JPY / MYR)</u> • FY2023 Q4 : ¥31.04 • FY2024 Q4 : ¥33.74
	Profit before tax	18.0	19.6	109%	
	Profit for the period	13.1	12.5	95%	

Transaction Volumes and Operating Receivables of Global Business

(Unit : Bn JPY)		China Area (Hong Kong)		Mekong Area (Thailand)		Malay Area		Global Business	
			YoY (Change)		YoY (Change)		YoY (Change)		YoY (Change)
Credit card	Transaction volume	265.9	120%	344.8	116%	79.8	130%	690.6	119%
	Operating Receivables	105.4	+5.5	160.5	▲8.0	35.0	+7.7	301.0	+5.1
Installment finance	Transaction volume	-	-	28.0	127%	139.7	117%	167.8	118%
	Operating Receivables	-	-	41.3	+12.0	304.2	+44.6	345.5	+56.6
Personal loans	Transaction volume	30.1	90%	114.1	104%	77.9	122%	222.3	108%
	Operating Receivables	31.3	+1.0	208.8	+33.0	146.4	+31.7	386.7	+65.8
Total	Transaction volume	296.1	116%	487.0	114%	297.6	122%	1,080.8	117%
	Operating Receivables	136.7	+6.6	410.8	+36.9	485.7	+84.1	1,033.3	+127.7

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

[Allowance for Doubtful Accounts]

(Unit : Bn JPY)	Domestic Total	Retail	Solutions	Global Total	China Area	Mekong Area	Malay Area	Consol. Total
Opening balance of allowance for doubtful accounts	55.6	3.0	53.0	64.3	4.7	35.8	23.7	120.7
Bad debt related expenses (Allowance for doubtful accounts and losses)	28.8	▲ 0.5	29.4	69.0	8.7	31.6	28.6	97.8
Bad debt written-off (including transferred debt)	27.1	0.7	26.4	59.7	8.3	27.2	24.1	86.8
Ending balance of allowance for doubtful accounts	57.2	1.7	55.9	73.5	5.0	40.1	28.3	131.6

※Balance at end of period of domestic subsidiaries

<Retail> AEON Bank:1.7

<Solutions> AEON Financial Service:54.6
AEON Housing Loan Service:0.9

Including the impact of transfer of installment finance business ¥9.2 bn

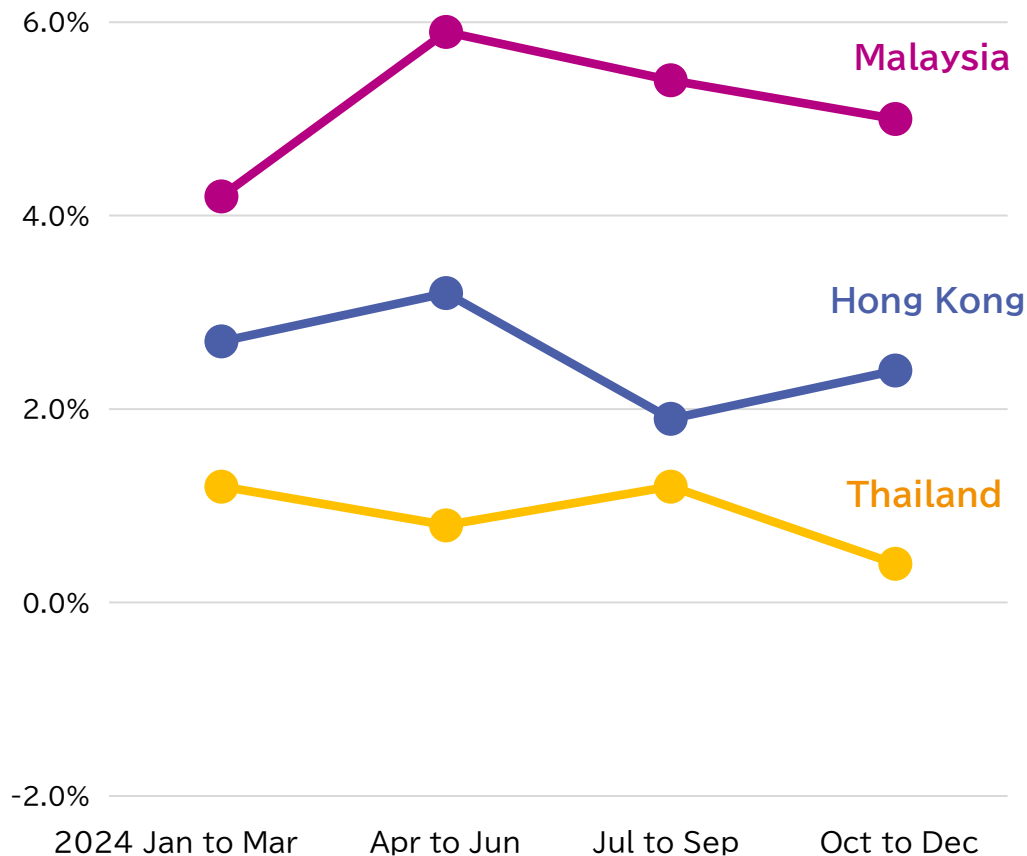
[Provision for Loss on Interest Repayment]

	FY2023 Q4	FY2024 Q4
Beginning of period	4.8	2.5
Provision	-	-
Interest Repayment	2.2	1.5
End of period	2.5	0.9

[Global] Environment by area

- In Malaysia, private consumption has been strong, and the minimum wage has been increased since February
- Meanwhile, in Hong Kong, domestic demand has been declining and the no. of personal bankruptcy applications has remained high, and in Thailand, GDP growth has stagnated

Changes in real GDP growth rate



Malay Area(Malaysia)

- Despite a slowdown for the second consecutive quarter, personal consumption exceeded the previous quarter
- The minimum wage was increased by 13.3% from February, and the unemployment rate remained at its lowest level (3.2%) since the pandemic

China Area(Hong Kong)

- Consumption in China, where prices are low (consumption travelling northward), is increasing, and domestic demand continues to decline. Personal consumption is also on an improving trend, but it is still negative
- The number of personal bankruptcy applications in Hong Kong as a whole is still increasing

Mekong Area(Thailand)

- Private consumption growth continues to slow due to factors such as stricter screening for car loans, which has led to a decline in consumption. Exports are recovering in both the agricultural and manufacturing sectors
- The government's 10,000 baht handout is scheduled to be distributed to people aged 16-59 in the third phase, from April to June 2025

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