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FY2026 1Q
IR Presentation Material

July 9, 2026

AEON Financial Service

Stock Listing: Tokyo Stock Exchange, Prime Market

Code No: 8570

Agenda

1. Outline of the Financial Results for the First Quarter of FY2026
2. Domestic Business
3. Overseas Business

Appendix

The Highlights of the Consolidated Results (First Quarter)

	Consolidated	YoY	Domestic	YoY	Overseas	YoY	FY2026 Forecast	Rate of Progress
Operating revenue	¥153.8 bn	113%	¥89.1 bn	110%	¥65.3 bn	116%	¥600.0 bn	26%
Operating profit	¥17.4 bn	135%	¥5.9 bn	172%	¥11.5 bn	123%	¥45.0 bn	39%
Ordinary profit	¥17.5 bn	127%	–	–	–	–	¥45.0 bn	39%
Profit attributable to owners of parent	¥8.9 bn	206%	–	–	–	–	¥15.0 bn	60%

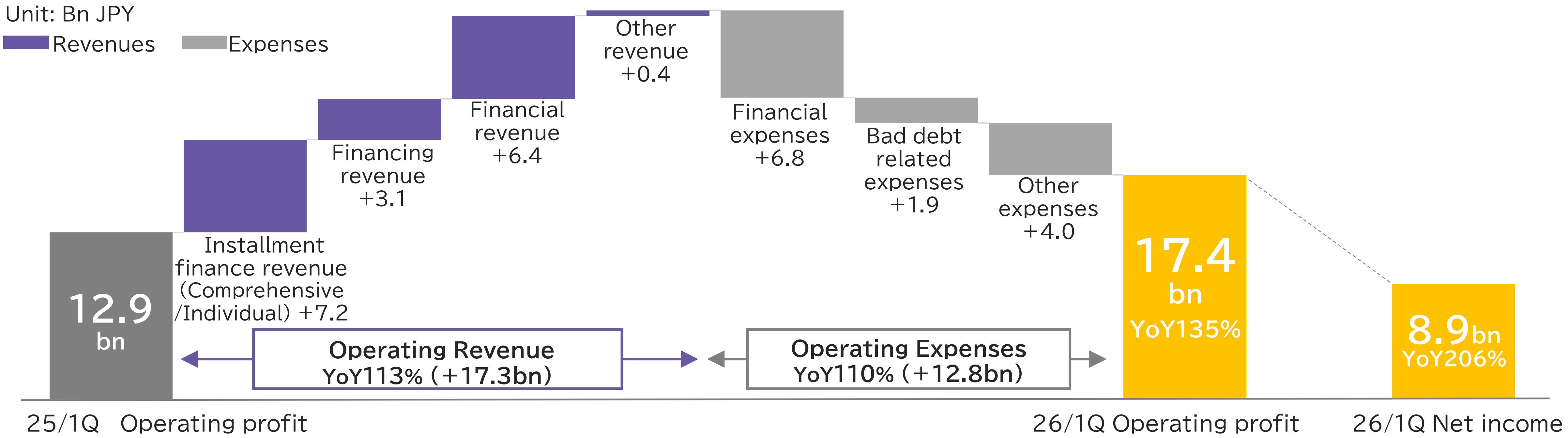
Summary of FY2026 1Q Consolidated Financial Results

Operating revenue was YoY113%、operating profit was YoY135%

- The number of consolidated active IDs increased to 60.58 million (up 1.07 million from the beginning of the period), and both the outstanding balance of operating receivables and transaction volume rose.

New domestic core systems went live in June as planned.

- This launch aims to advance business operations by accelerating the rollout of new services and enhancing data utilization capabilities.
- Amortization expenses will be recorded starting in the second quarter; additionally, one-time costs (equipment expenses) associated with the system replacement are expected to be incurred.



FY 2026 Earnings Forecast

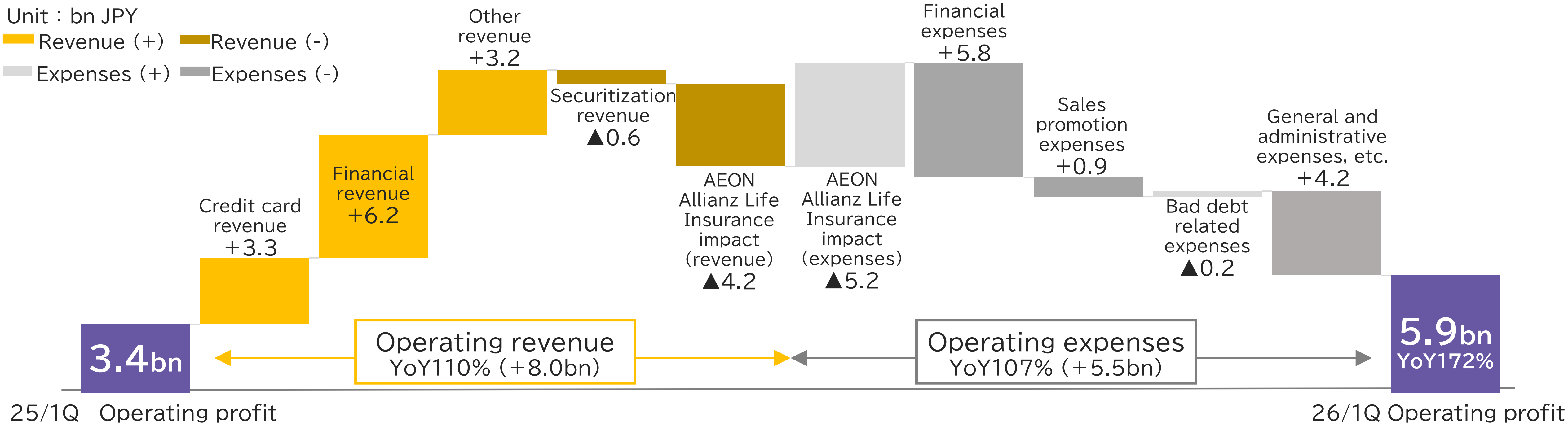
Unit: bn yen unless stated otherwise

	FY2025 Results	FY2026 Forecast			
	Consolidated	Consolidated	YoY	Domestic	Overseas
Operating Revenue	569.3	600.0	+30.7	355.0	245.0
Operating income	60.6	45.0	▲15.6	5.0	40.0
Operating Profit Margin	10.7%	7.5%	▲2.7pt	1.4%	16.3%
Ordinary income	60.6	45.0	▲15.6	—	—
Net income	21.0	15.0	▲6.0	—	—
Dividend per share (Annual, yen)	53	53	±0	—	—
ROE	4.5%	3.2%	▲1.3pt	—	—

Domestic Business

[Domestic] Breakdown of operating profit for FY2026 1Q and differences from last year

- Growth in financial income contributed to the results; figures significantly exceeded those of the same period last year, driven also by the rebalancing of government bonds and other holdings.



Main factors

[Operating revenue]

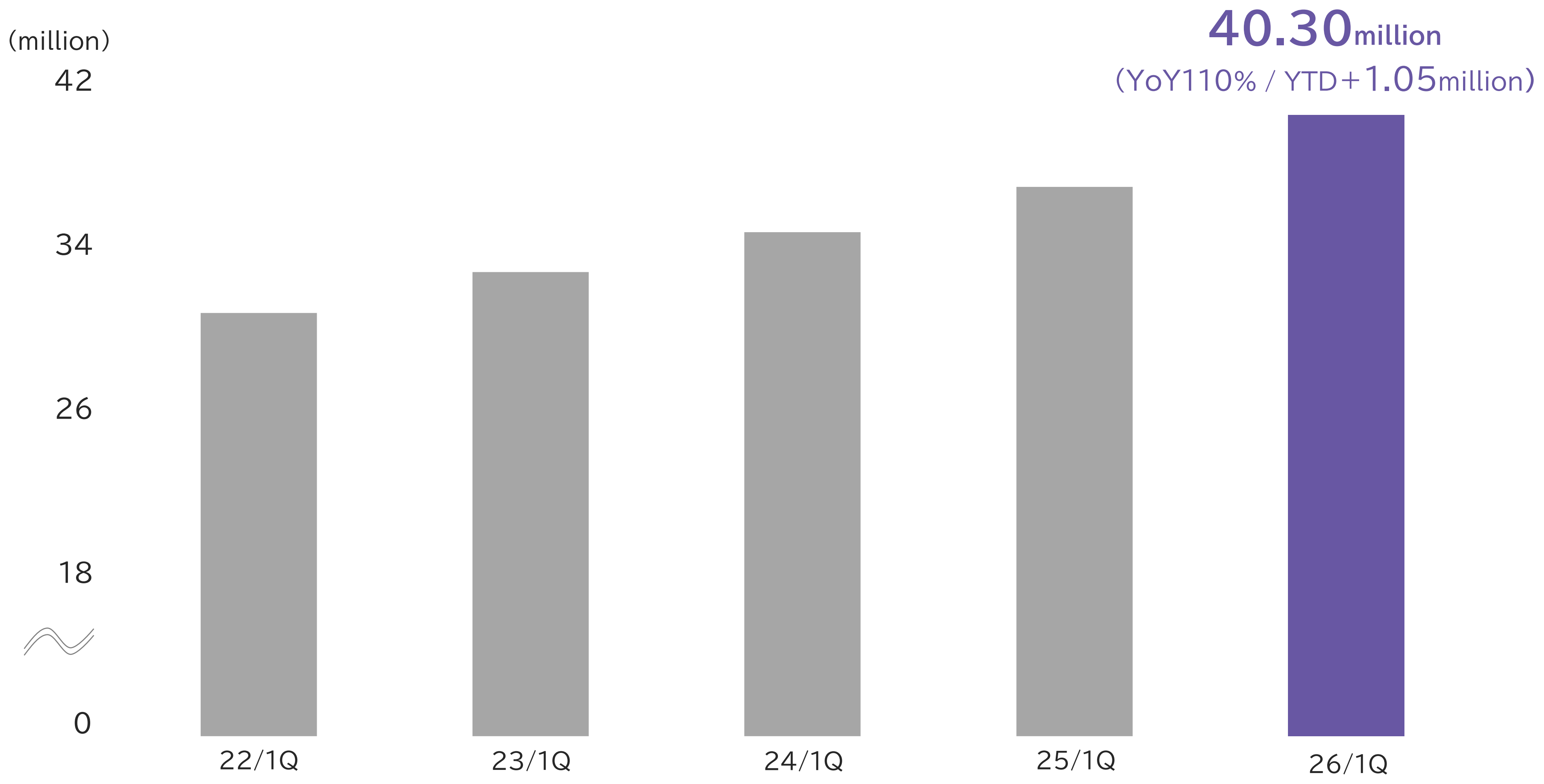
- Credit card revenue +3.3bn
  (Credit card business +3.2bn、Cash advance business+0.1bn)
- Financial revenue +6.2bn
  (Interest and dividends +3.2bn、Loan interest +0.7bn、Sales on securities +3.8bn)
- Other revenue +3.2bn
  (Fees and commissions +2.6bn)

[Operating expenses]

- Financial expenses +5.8bn
  (Deposit interest+1.7bn、Rebalancing of government bonds +3.2bn)
- Sales promotion expenses +0.9bn
- General and administrative expenses +4.2bn
  (Provision for accrued breakage on e-money +2.5bn、Payment fees +0.6bn、System costs +0.3bn)

[Domestic] Valid ID Status

- Growth was driven by an increase of 3.51 million YoY in the number of active IDs and a 2.33 million increase in the number of members using charge payments.

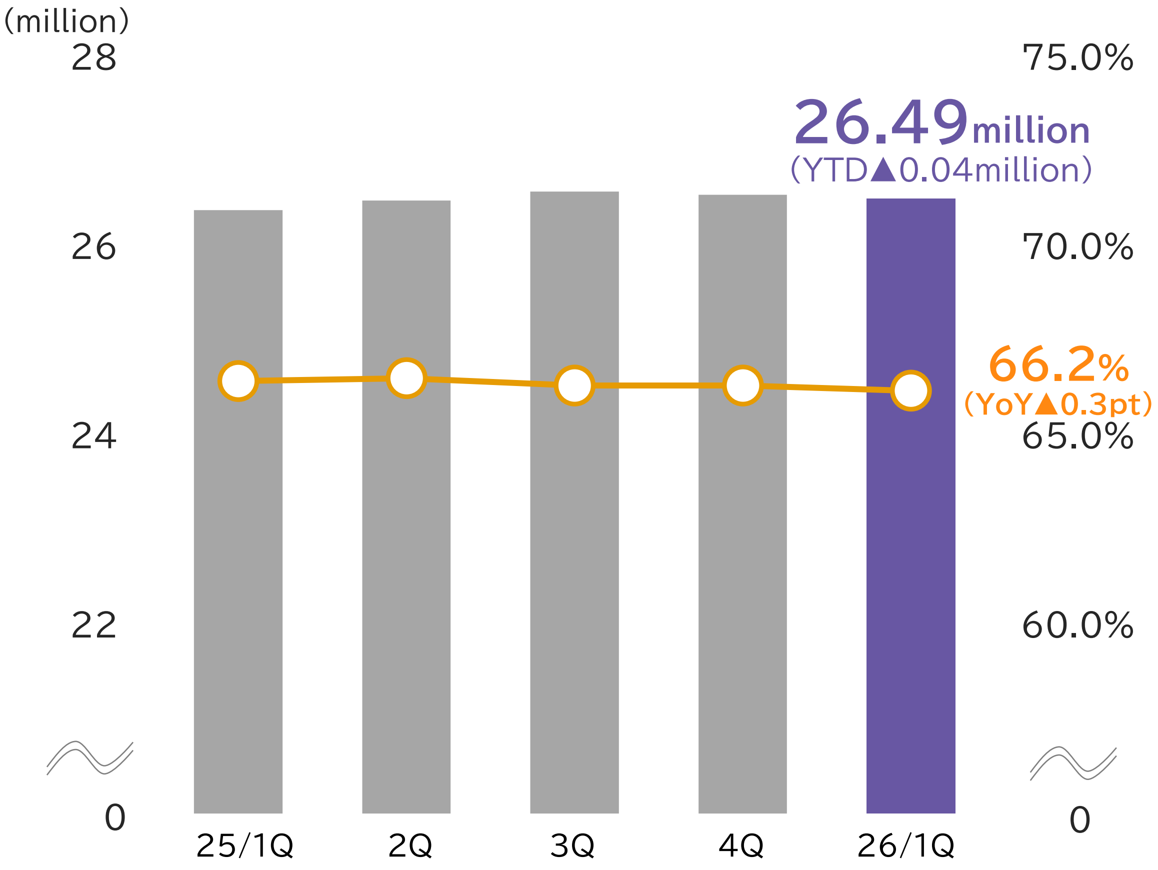


*Valid ID: Number of customers using our services such as AEON Card, AEON Pay, AEON Bank accounts
* Members with duplicate IDs are consolidated for counting method

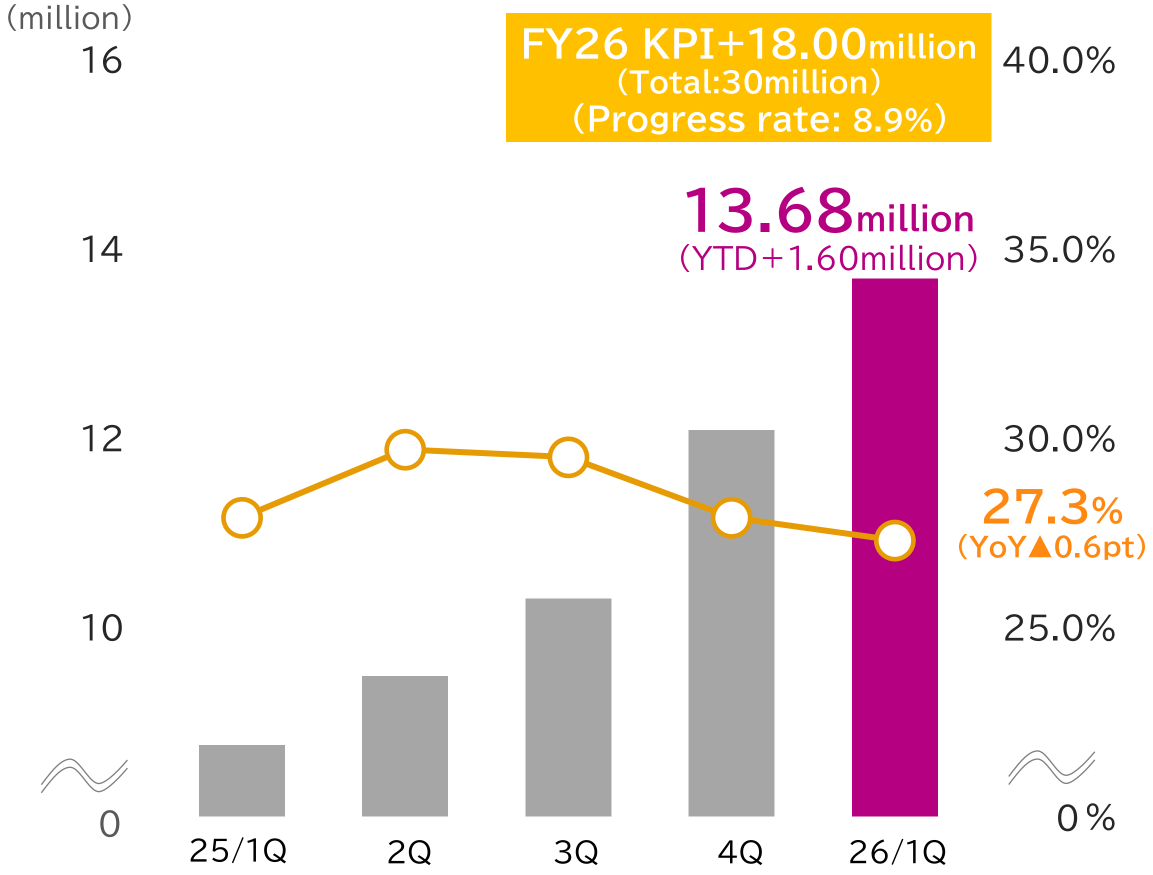
[Domestic] Customer Base <AEON Card, AEON Pay>

- The number of active cardholders decreased by 40,000 since the beginning of the period but increased by 120,000 YoY.
- The "AEON Wallet" app was relaunched as the "AEON Pay" app in April.

Number of valid card holders, card-use rate



AEON Pay ID registered members, utilization rate



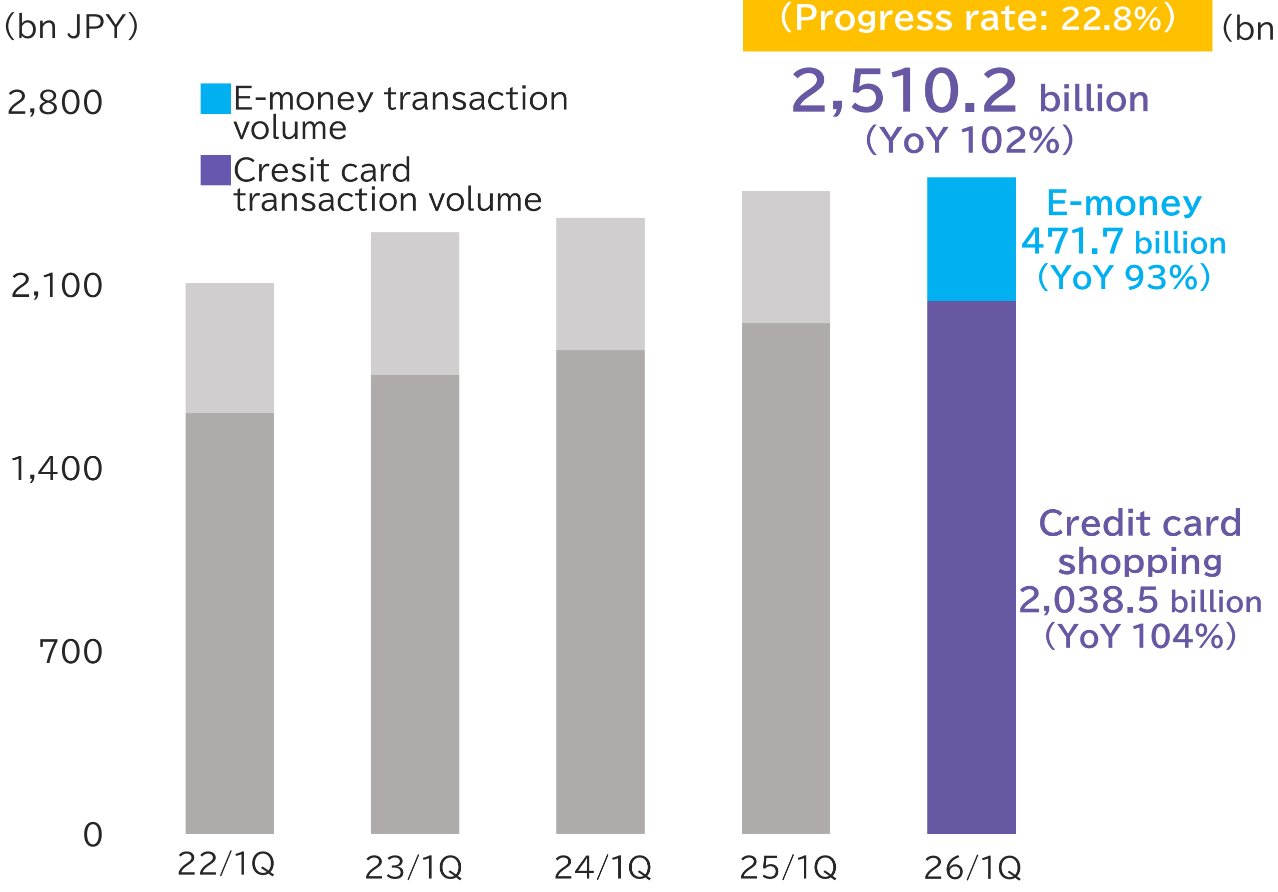
※Utilization Rate = Number of Active Members (the number of active members who used the payment service at least once during the year) ÷ Average Number of Active Members × 100

[Domestic] In-House Payment Transaction Volume

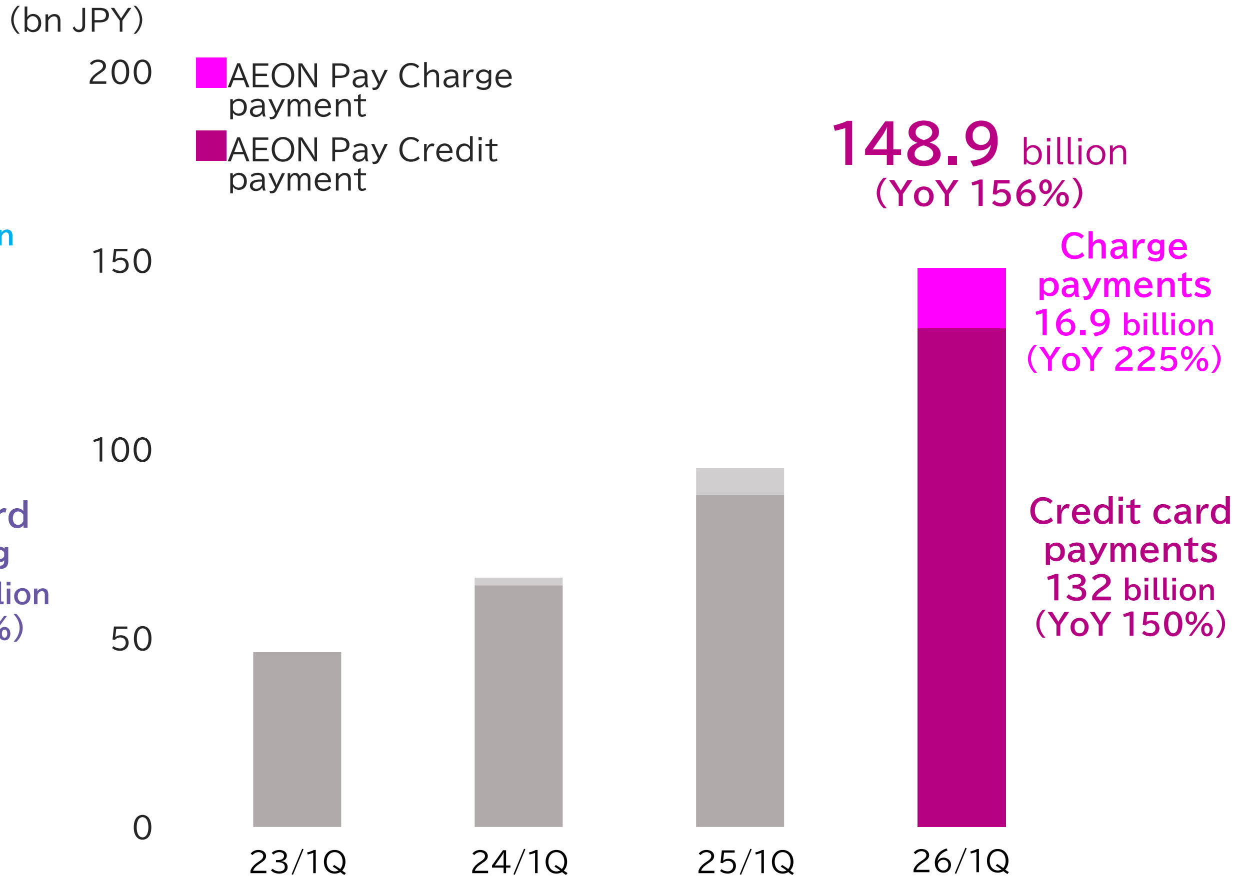
- As the use of payment methods diversifies, the transaction volume for e-money has fallen below the level of the same period last year.
- AEON Pay is expanding steadily, driven by efforts to promote its use both within and outside the AEON Group.

In-House transaction volume

KPI:11 trillion
(Progress rate: 22.8%)



AEON Pay transaction volume

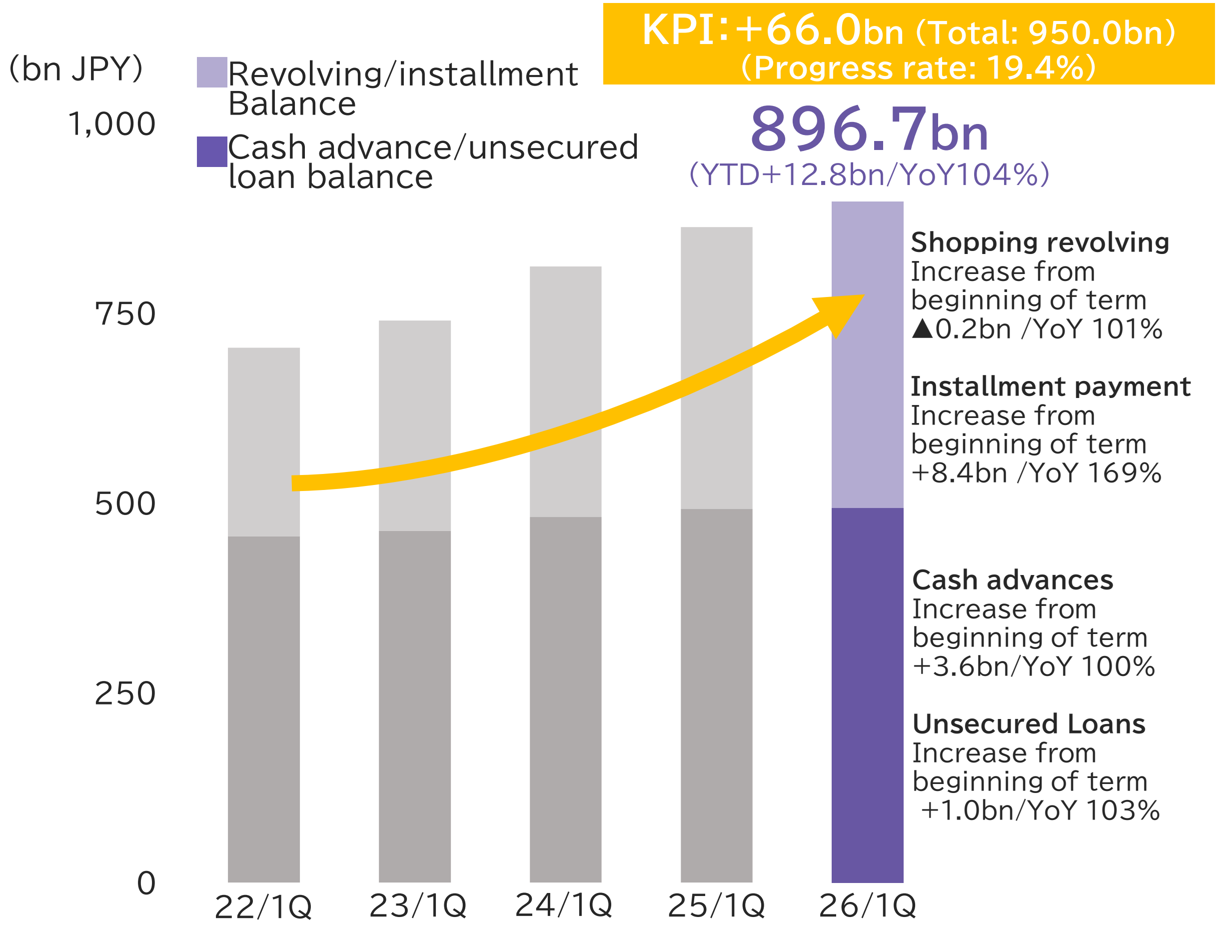


*E-money transaction volume includes AEON Pay charge payments.

[Domestic] Status of high-yield receivables balance

- Due to an increase in the installment payment balance, the high-yield receivables balance has reached a record high.
- Raising installment payment fees from an annual percentage rate (APR) of 9.69%–12.42% to 14.70%–17.91%.

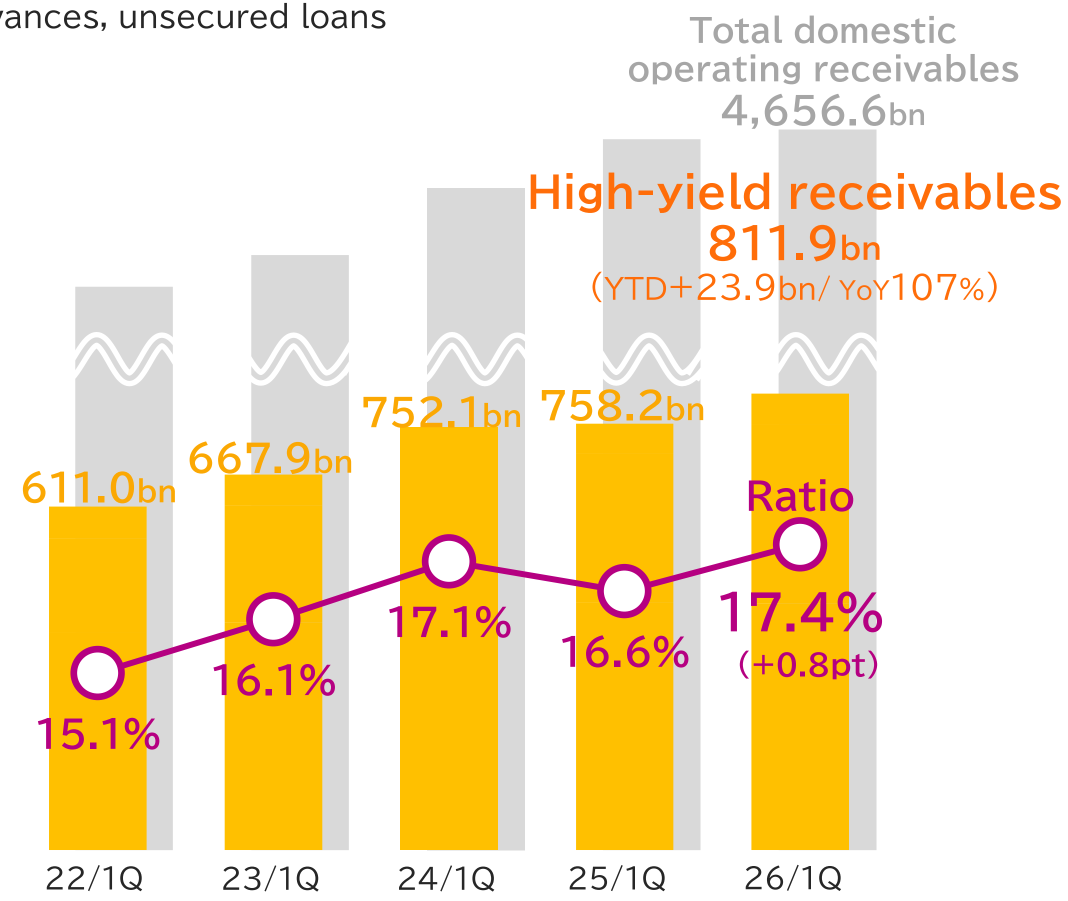
Balance before securitization of receivables



High-yield receivables ratio and balance trends

(After securitization)

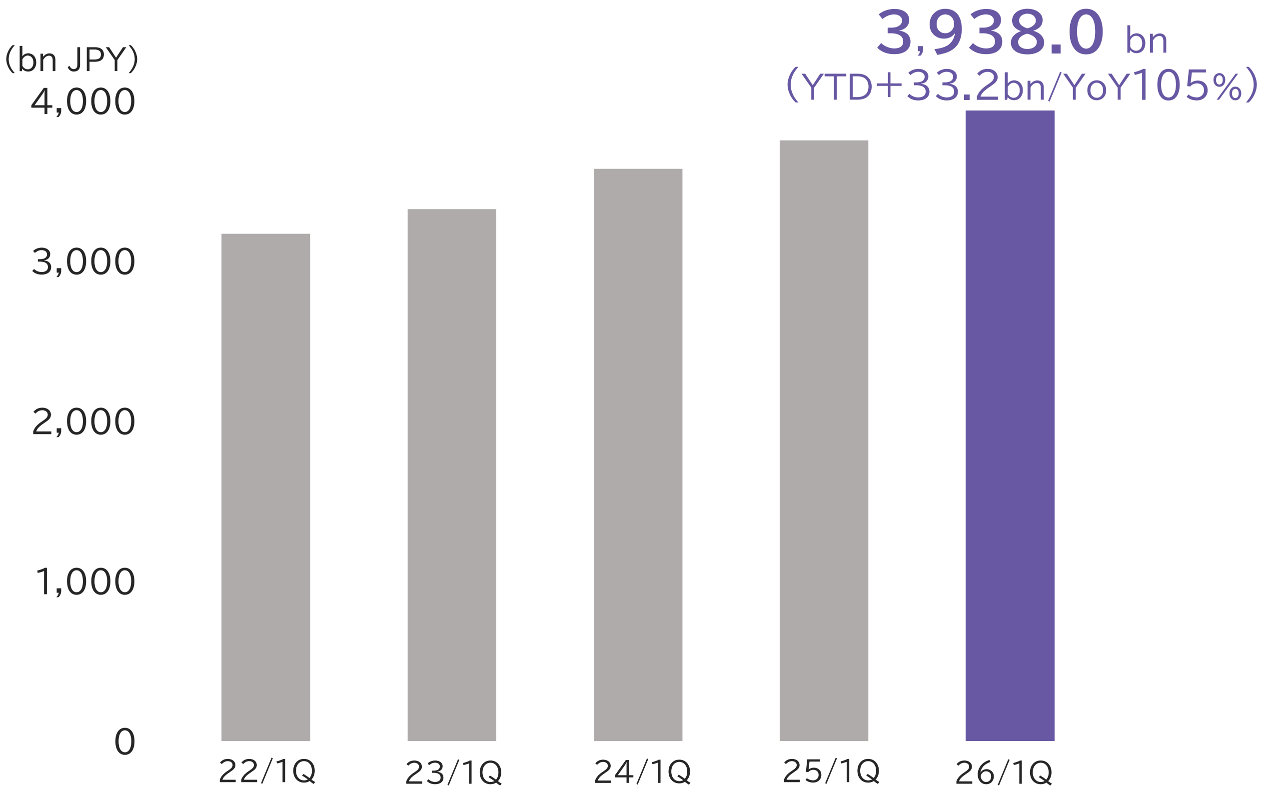
*High-yield receivables: Revolving/installment payments, cash advances, unsecured loans



[Domestic] Housing-related Loans /Corporate lending

- Interest rate competitiveness improved due to earlier rate hikes by other banks, resulting in residential mortgage origination volume rising to 131% YoY.
- Corporate loan balances expanded steadily thanks to strengthened sales efforts.

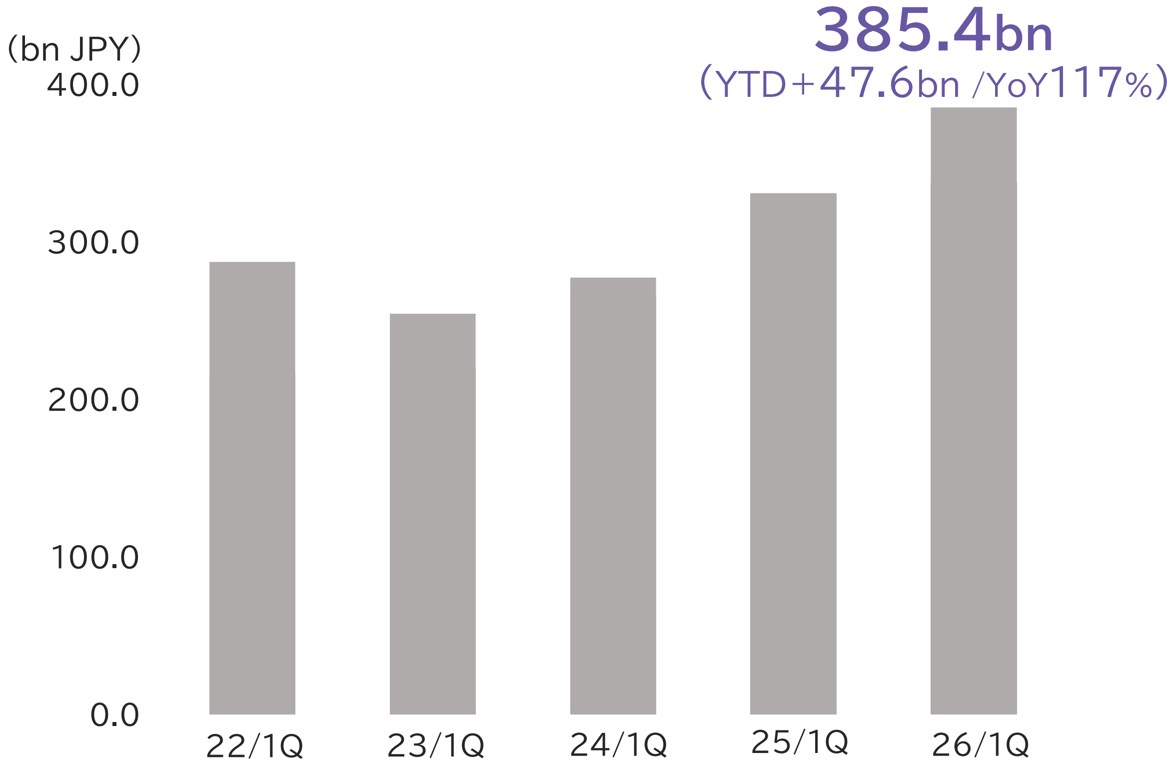
Housing-related Loans Balance



Transaction Volume (YoY)	155.1 (110%)	138.8 (90%)	175.5 (126%)	92.3 (53%)	120.5 (131%)

Corporate Lending Balance

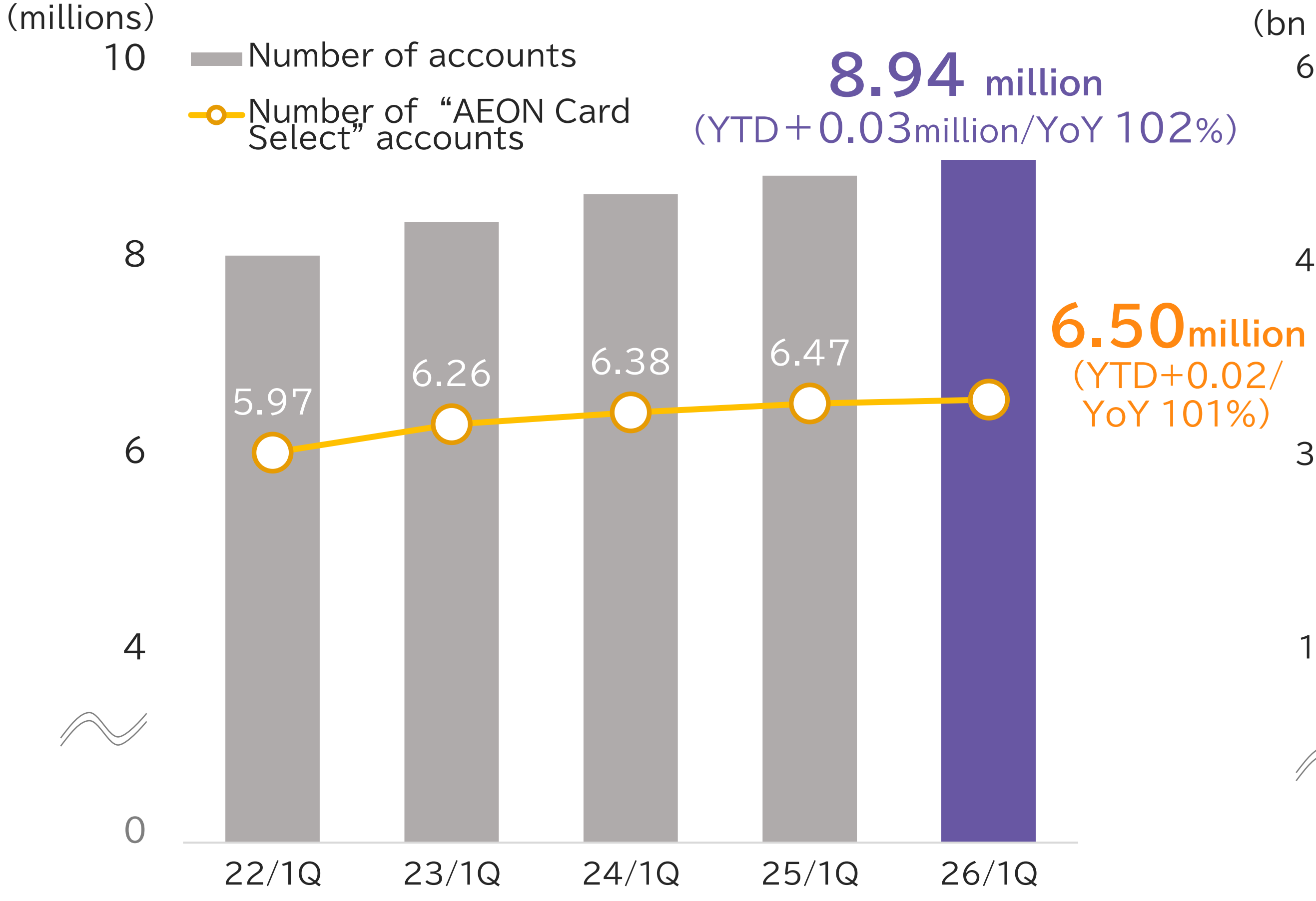
FY26KPI:+32.0bn
(Total:370.0bn)
(Progress rate: 148.8%)



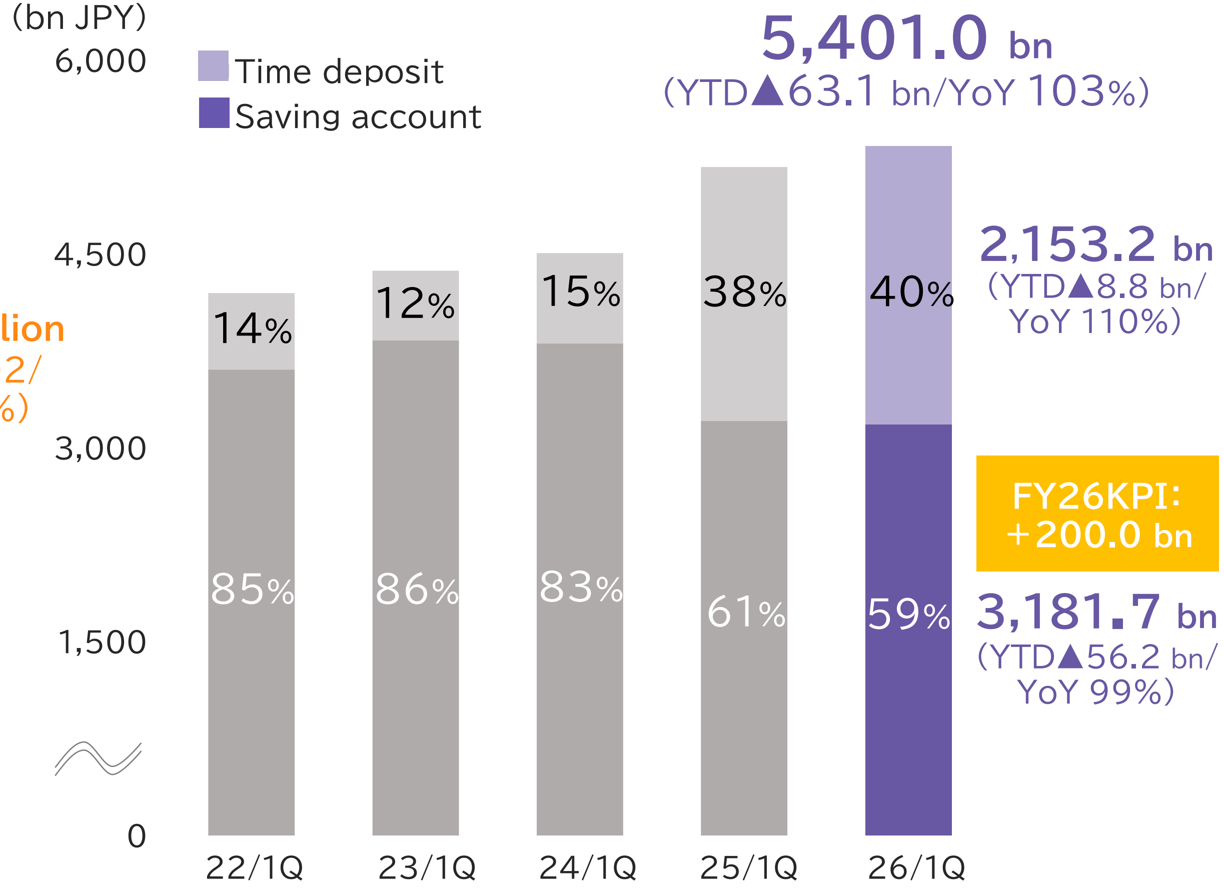
[Domestic] Number of accounts/ Balance of Deposits

- Strengthen the acquisition of AEON CARD Select* and promote its use as a primary account for daily financial needs.
- Aim to achieve KPI targets for ordinary deposit balances through the implementation of various initiatives.

Number of accounts and number of "AEON Card Select" Accounts



Balance of Deposits (AEON Bank, Ltd.)



*AEON Card Select is an all-in-one card that combines credit card, WAON e-money, and bank cash card functions.

[Domestic] 1Q Balance Sheet Status

- The majority of domestic funding comes from bank deposits; the goal is to reduce funding costs by increasing the proportion of ordinary deposits.
- Increase the proportion of high-yield receivables* within the asset portfolio to enhance asset profitability.

*High-yield receivables: Revolving/installment payments, cash advances, unsecured loans

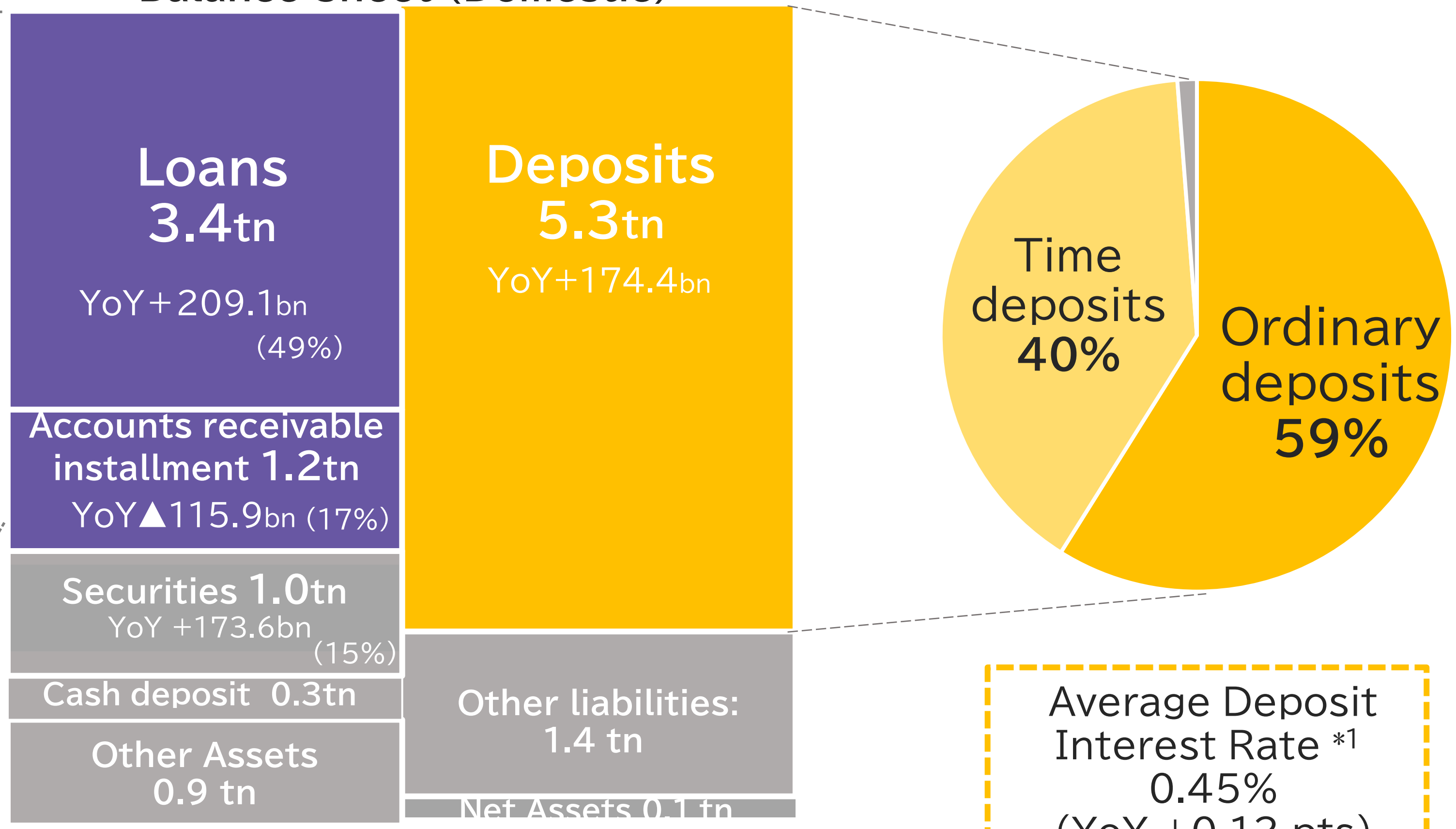
Loans	Average Yield*1
Housing-related loans *2 (47%)	0.92% (YoY+0.06pt)
Cash advances (13%)	15.12% (YoY▲0.03pt)
Corporate lending (11%)	1.75% (YoY+0.23pt)
Unsecured loans (2%)	9.13% (YoY+0.07pt)

Installment Accounts Receivable

Revolving/Installment (26%)	15.95% (YoY+0.99pt)

( ) indicates the composition ratio of loans or installment receivables as of the end of the period.

Balance Sheet (Domestic)



( ) indicates composition ratio of assets

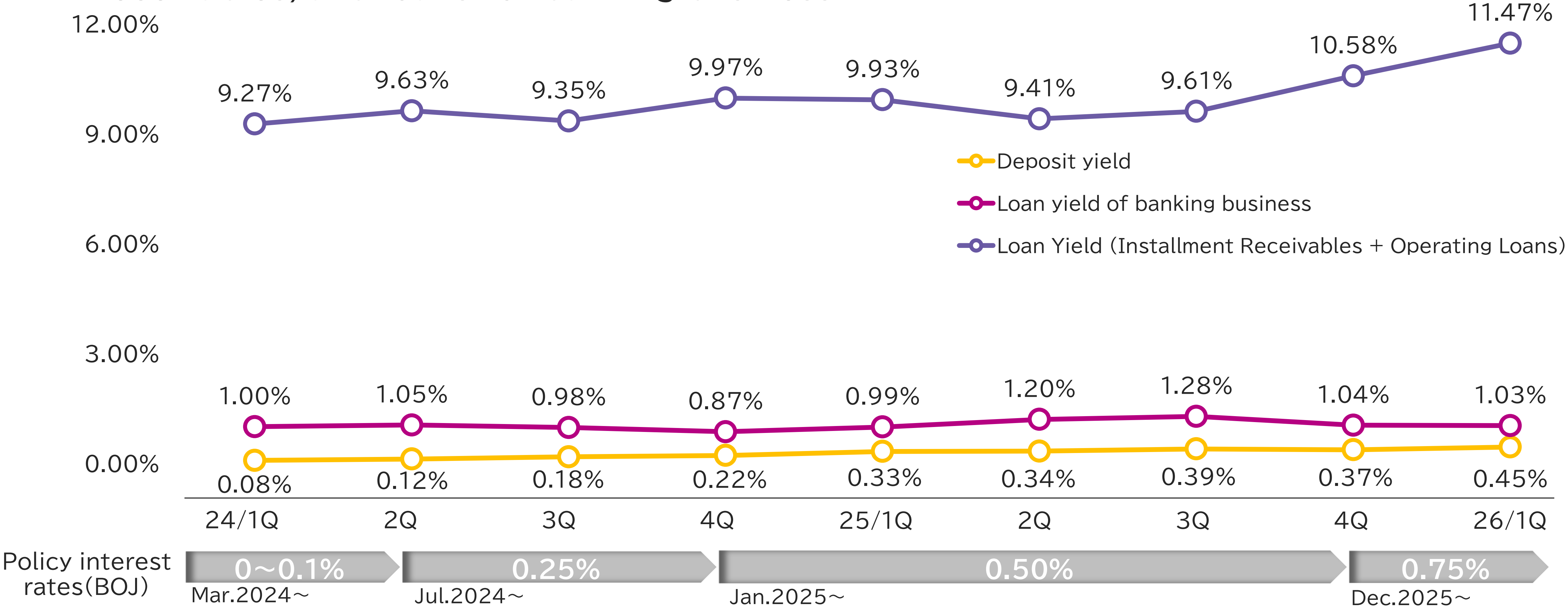
Average Deposit Interest Rate *1
0.45%
(YoY +0.12 pts)

*1 Quarterly Revenue (March, April, March) ÷ Period Average Balance (March, April, March) × 4
*2 Loans for residential mortgages and investment condominium mortgages

[Domestic] Deposit yields and loan yields

- Yields on loans and installment receivables increased due to the hike in the revolving credit interest rate (from 15% to 18% annually).
- In May 2026, the benchmark interest rate for housing loans was raised by 0.35%; an increase in loan yields within the banking business is anticipated.

Trends in yields on yen deposits, loans and installment receivables, and loans for banking business



[Domestic] Progress on cost structure reform

- We are advancing both product and service reforms through initiatives such as bank ATM cost optimization and review of customer benefits, as well as productivity reforms through organizational changes including AI utilization and reduction of outsourced operations. We aim to achieve a cost improvement of ¥2.7 billion in FY2026.

		FY2026 Improvement Target	FY2027 Outlook
Review of Products and Services	Revision of conditions to better align with customer needs, cost optimization, ATM reform, etc. (service discontinuation and operational reviews)	-¥1.6bn	-¥4.0bn
AI Driven Reform of Productivity	Utilization of AI operators and operational efficiency improvement in areas such as loan collection management and contact centers	-¥1.1bn	-¥2.0bn
	Total	-¥2.7bn	-¥6.0bn

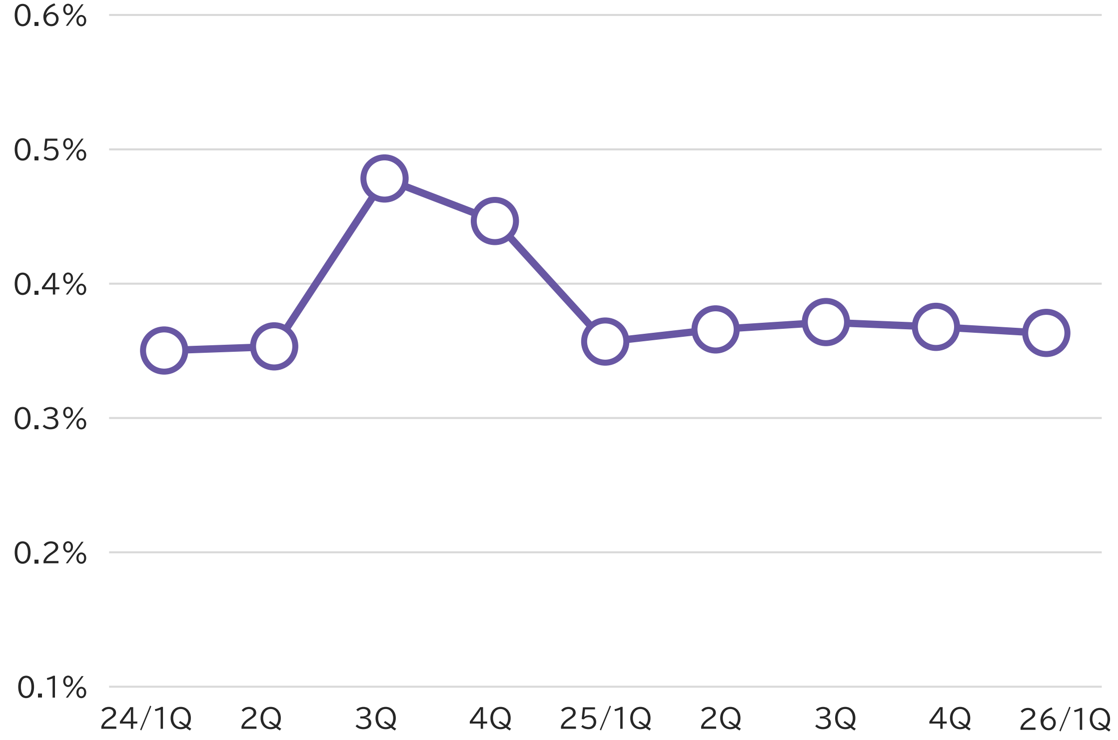
*Note: Cost reduction amounts are measured against FY2025

[Domestic] Trends in bad debt-related expense ratios and personnel expense ratios

- The ratio of bad debt expenses to securitized receivables remains low and stable.
- The personnel cost rate improved by 2.6 percentage points YoY, with the review of the business portfolio contributing to the streamlining of the earnings structure.

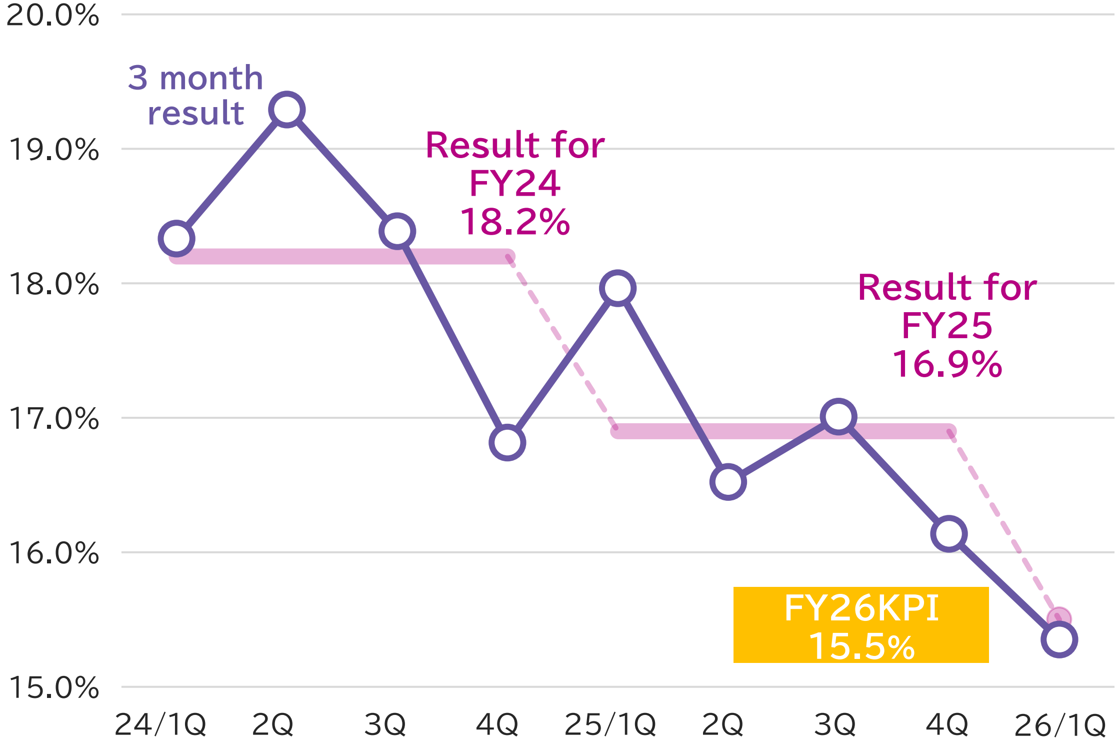
Quarterly trends in bad debt-related expense ratio

※Bad debt-related expense ratio to the total balance of operating loans and installment receivables



Quarterly personnel cost rate

※ Personnel expenses / Operating revenue



Overseas Business

[Overseas] Segment Performance Highlights

- Driven in part by a boost from exchange rate effects, all regions saw increases in both revenue and profit.

	Overseas business		China area		Mekong area		Malay area	
		YoY		YoY		YoY		YoY
Operating revenue	65.3 bn	116 %	9.8 bn	116 %	26.0 bn	107 %	29.4 bn	125 %
Operating profit	11.5 bn	123 %	3.3 bn	134 %	4.1 bn	103 %	4.0 bn	141 %
<Reference> Bad debt-related exp.	20.3 bn	112 %	2.0 bn	103 %	8.4 bn	107 %	9.9 bn	120 %

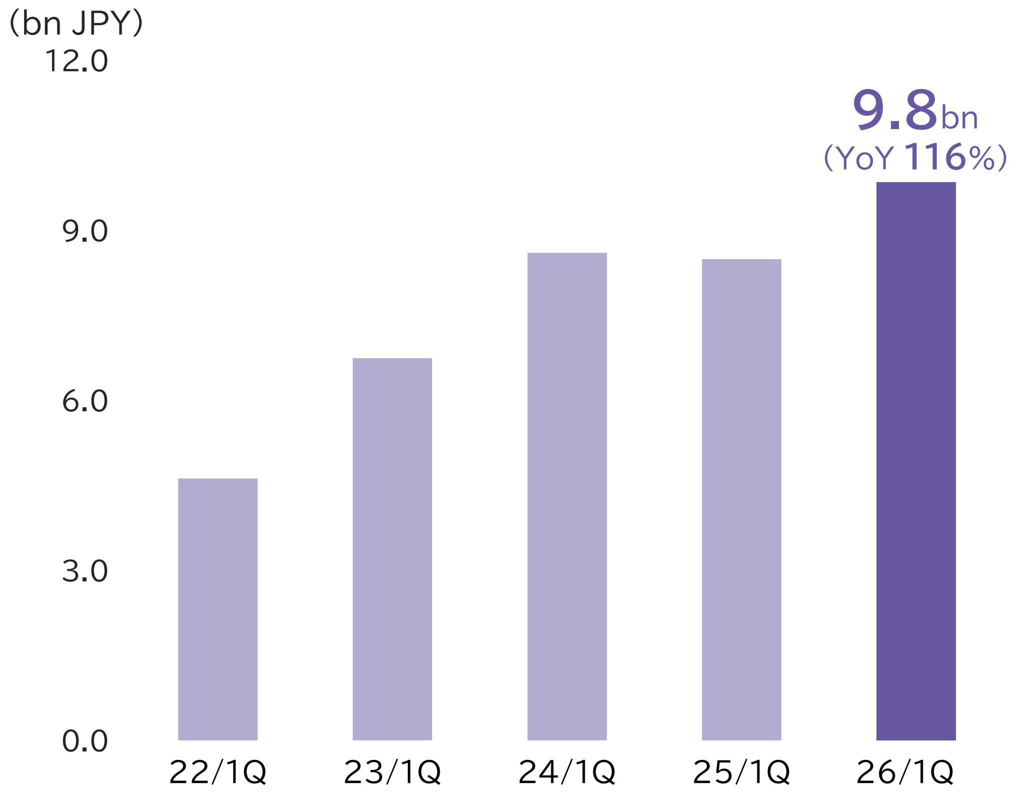
Average exchange rate ※( ) indicates year-on-year change

HKD: ¥20.28 (7.9% weaker yen) THB: ¥4.93 (12.8% weaker yen) MYR: ¥40.10 (19.5% weaker yen)

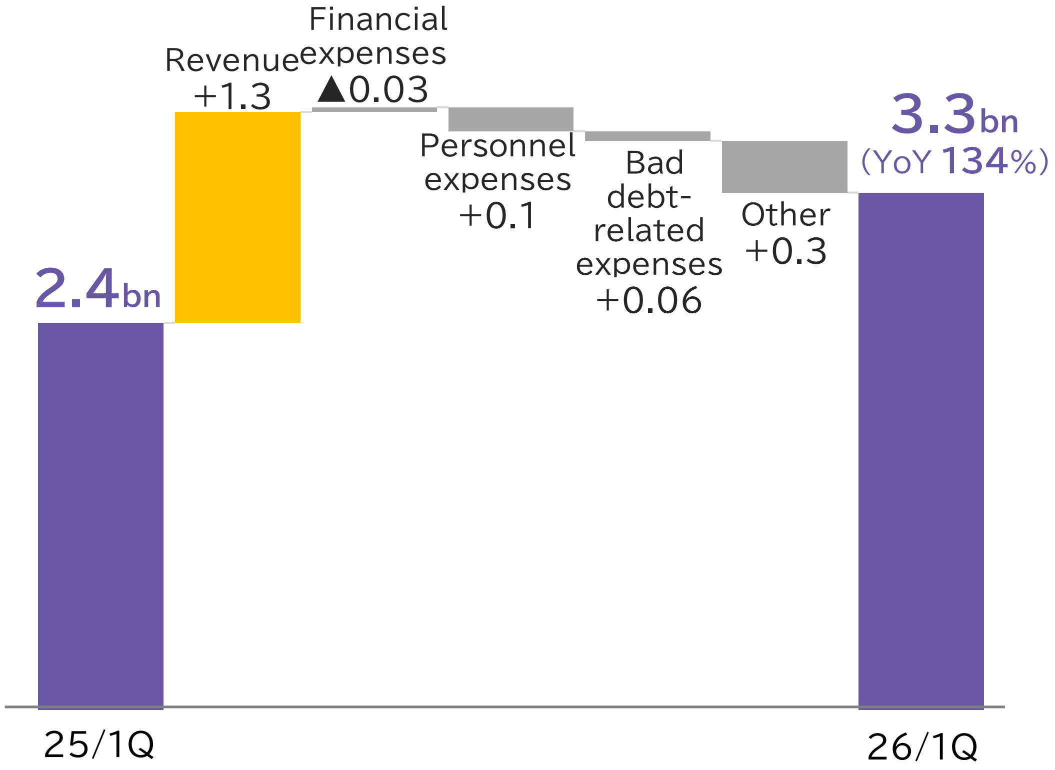
[Overseas] Highlights of Performance in China Area

- Operating revenue increased as transaction volumes and outstanding balances grew, driven by measures such as strengthened sales promotion through targeted sales activities.
- Operating profit was 134% YoY, aided by the containment of bad debt-related expenses resulting from the refinement of credit assessment processes.

Operating revenue



Breakdown of operating profit difference from previous FY



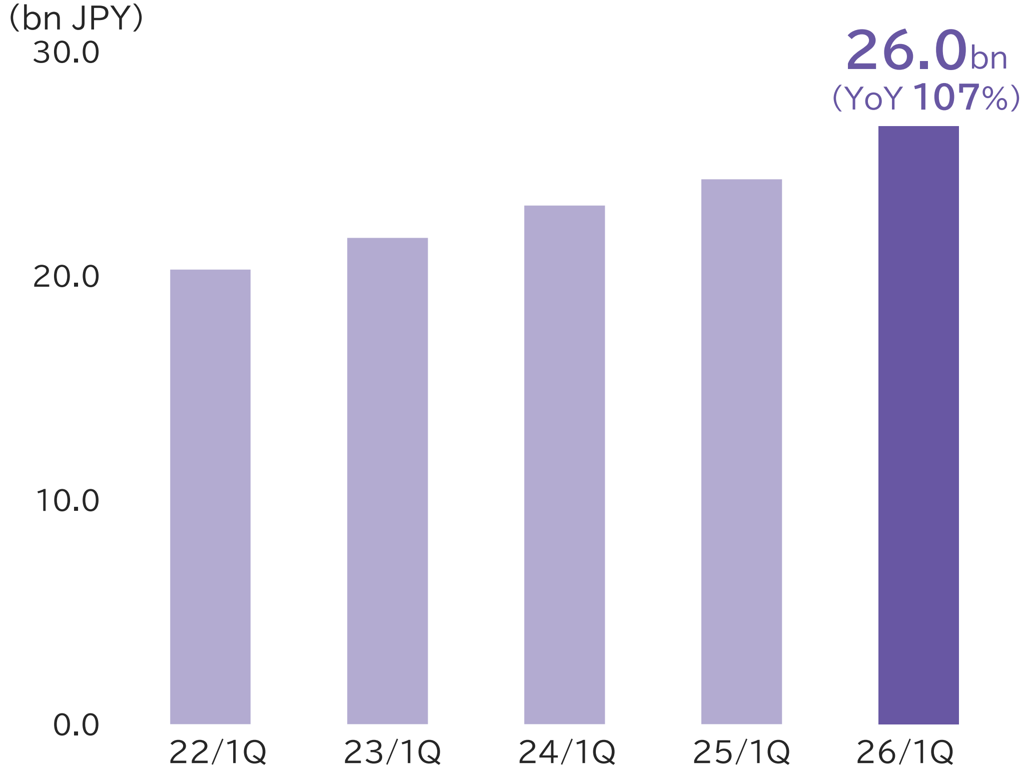
Average exchange rate ※( ) indicates year-on-year change

HKD: ¥20.28 (7.9% weaker yen)　THB: ¥4.93 (12.8% weaker yen)　MYR: ¥40.10 (19.5% weaker yen)

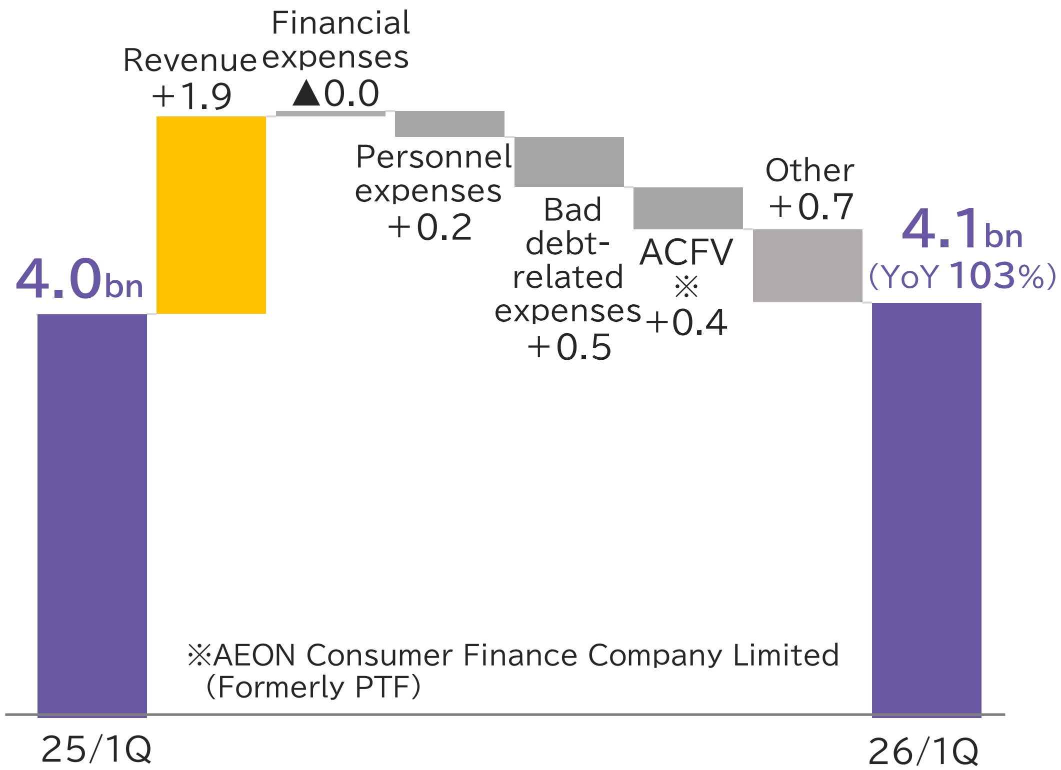
[Overseas] Highlights of Performance in Mekong Area

- Profits continued to increase due to cost reductions in bad debt-related expenses and sales promotion expenses, as well as fluctuations in exchange rates.

Operating revenue



Breakdown of operating profit difference from previous FY



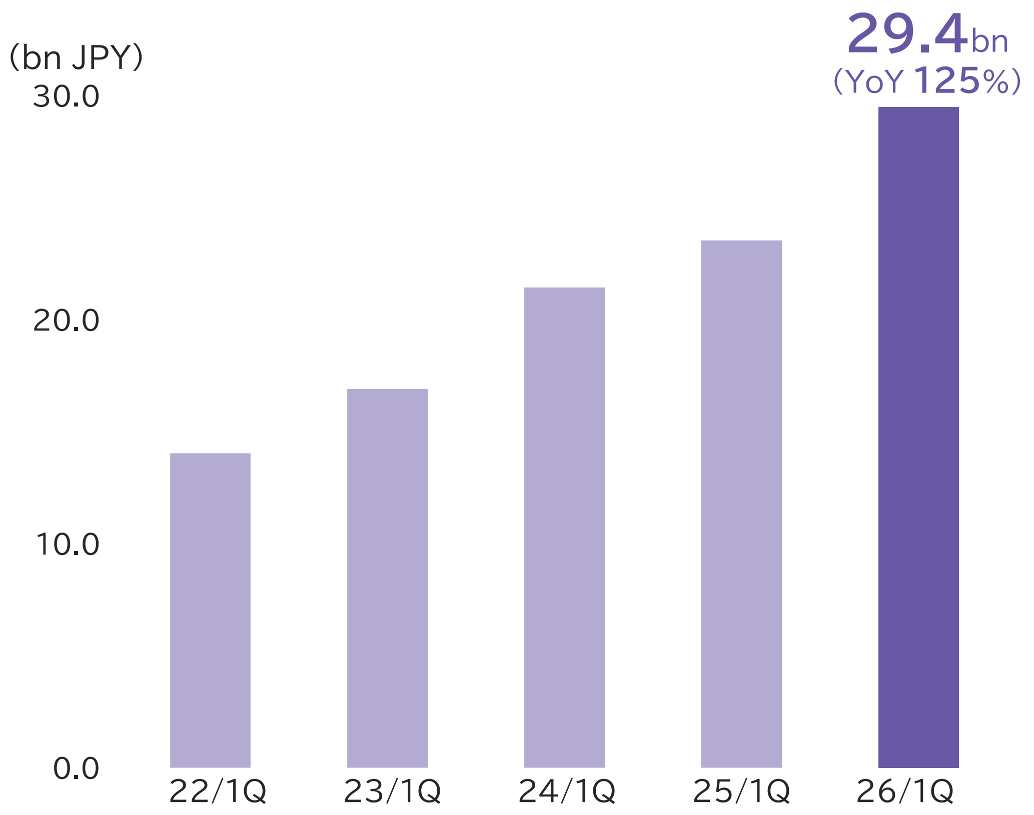
Average exchange rate ※( ) indicates year-on-year change

HKD: ¥20.28 (7.9% weaker yen)　THB: ¥4.93 (12.8% weaker yen)　MYR: ¥40.10 (19.5% weaker yen)

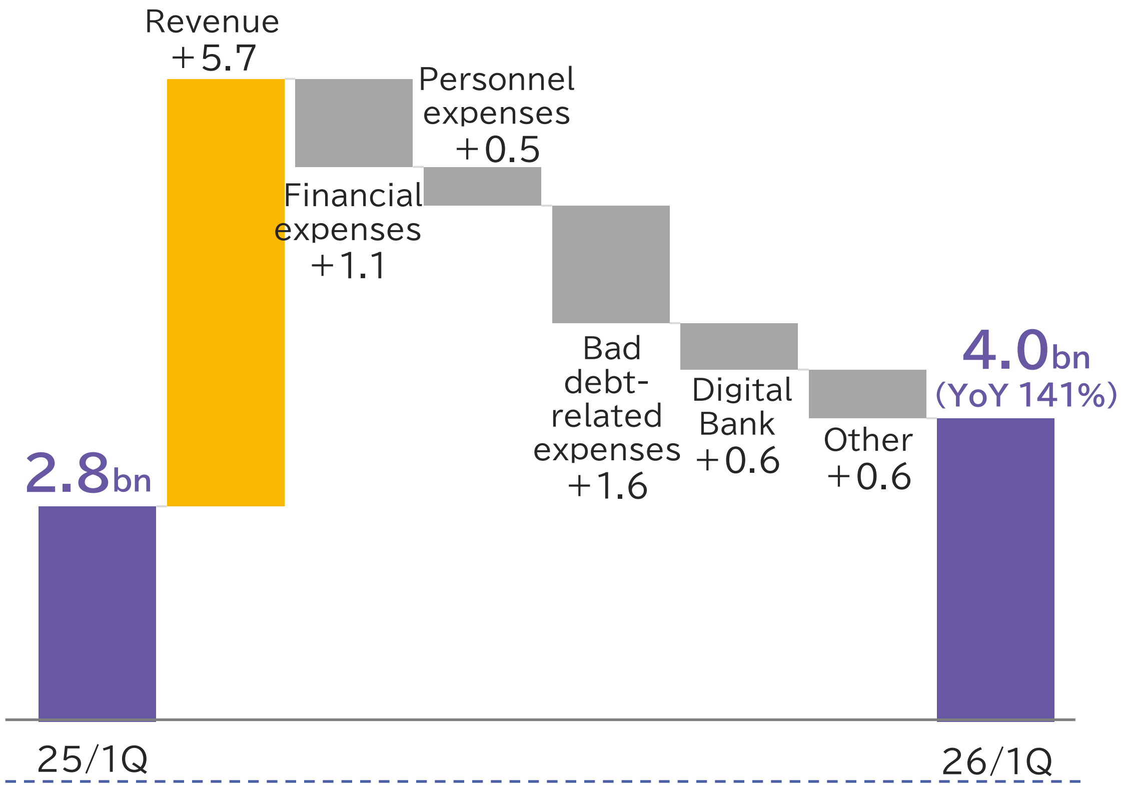
[Overseas] Highlights of Performance in Malay Area

- Increased revenue was driven by a rise in outstanding balances due to the growth in the credit card business and individual installment sales for large motorcycles.
- Although outstanding debt was increasing, the use of AI operators helped to suppress the increase in bad debt-related expenses, resulting in increased profits.

Operating revenue



Breakdown of operating profit difference from previous FY



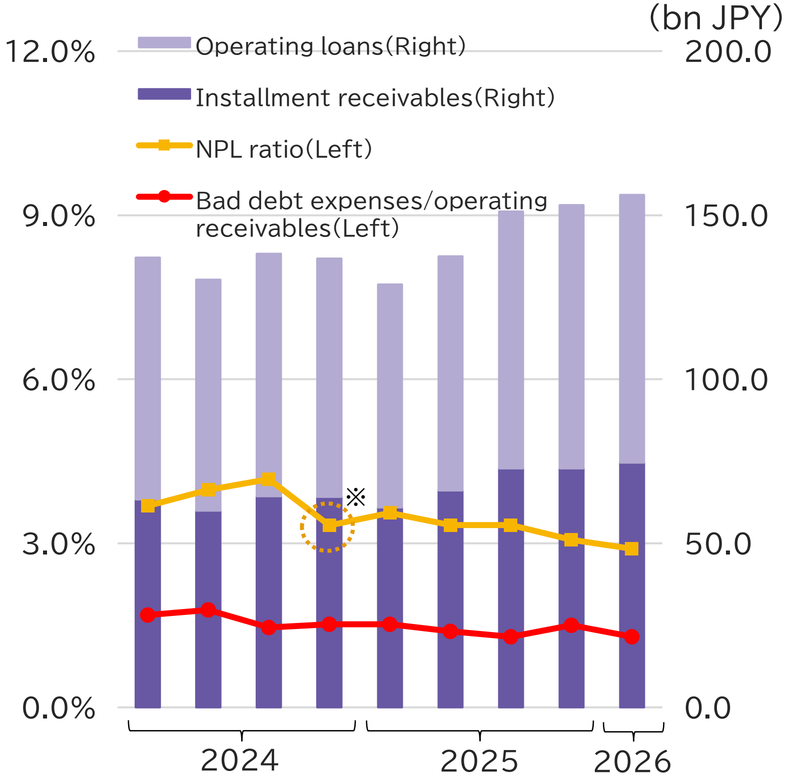
Average exchange rate ※( ) indicates year-on-year change

HKD: ¥20.28 (7.9% weaker yen) THB: ¥4.93 (12.8% weaker yen) MYR: ¥40.10 (19.5% weaker yen)

[Overseas] Balance of Receivables and NPL of Listed Subsidiaries

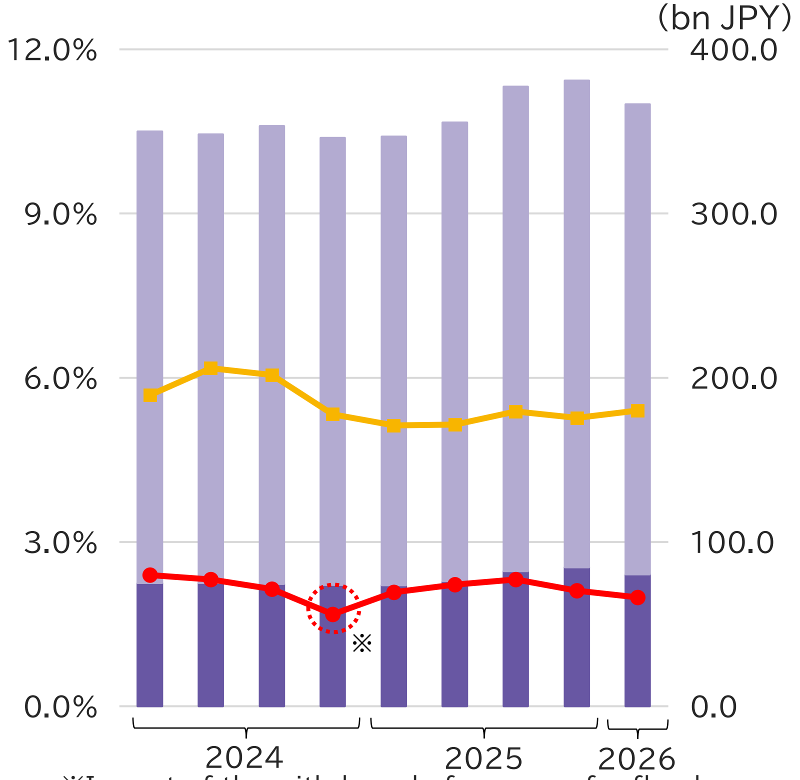
- Hong Kong: Both NPL and cost ratios improved due to refined ongoing credit assessment and strengthened recovery efforts for early-stage delinquent loans.
- Thailand: Loan balances decreased compared to the end of the previous period, yet both NPL and cost ratios remained stable.
- Malaysia: The NPL ratio remained stable at a low level, recovery measures are being intensified to reduce the cost ratio associated with loan losses.

■ ACSA (Hong Kong)



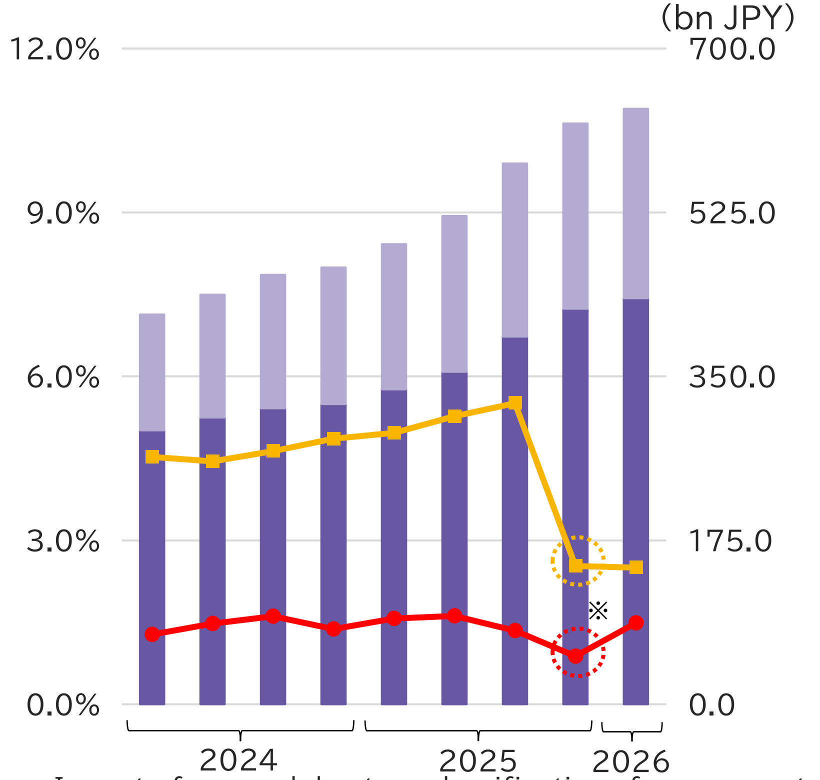
*Impact of revision to NPL recognition criteria for restructured loans

■ AEONTS (Thailand)



※Impact of the withdrawal of reserves for flood damage that occurred in the second quarter of 2024

■ ACSM (Malaysia)



* Impact of reversal due to reclassification of government support program (AKPK) applicable receivables

<u>**Year-end rate**</u> ※Figures in () are the diff from the previous quarter

HKD: ¥20.34 (2.2% weaker yen) THB: ¥4.90 (2.4% stronger yen) MYR: ¥40.19(0.3% weaker yen)

[Overseas] Overview of Operations in Key Asian Countries

- Vietnam is expanding loan offerings for loyalty program members, while Cambodia plans to launch integration with Bakong (the central bank's digital currency) in the second half of the fiscal year
- ABK Malaysia is enhancing convenience by incorporating an AI-powered personal finance advisor feature and plans to launch business loans in June 2026

Business base

■ Vietnam

WAON POINT members **3.78million** (YTD+0.16million)

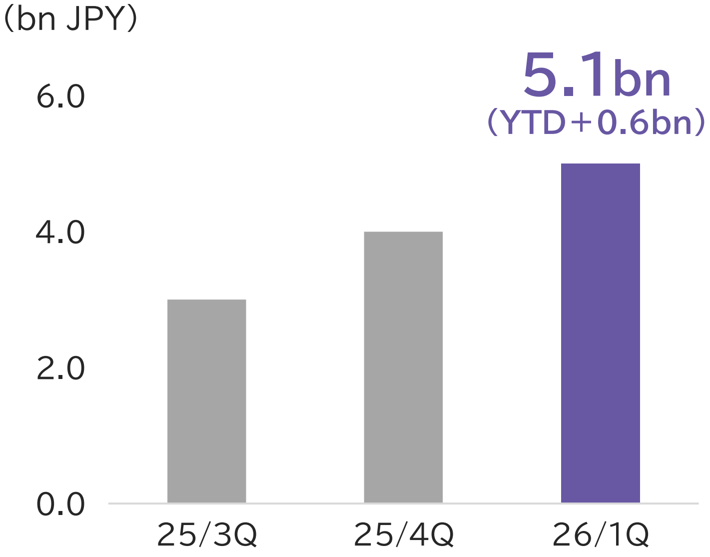
■ Cambodia

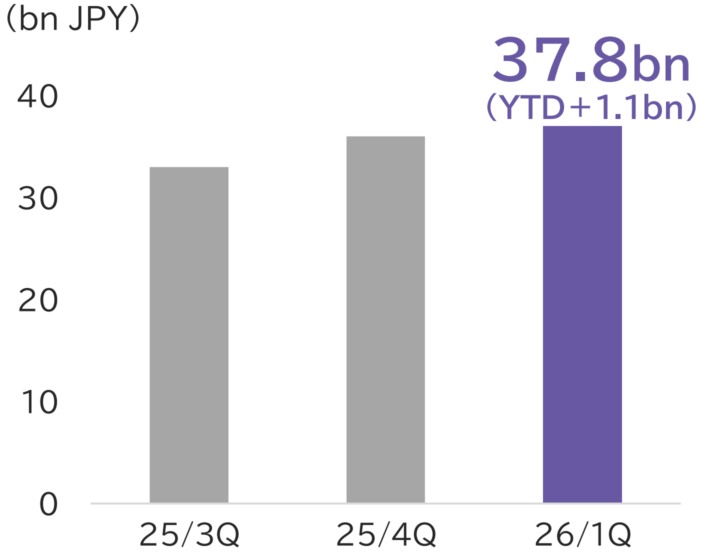
Members **160,000** (YTD+1,000)

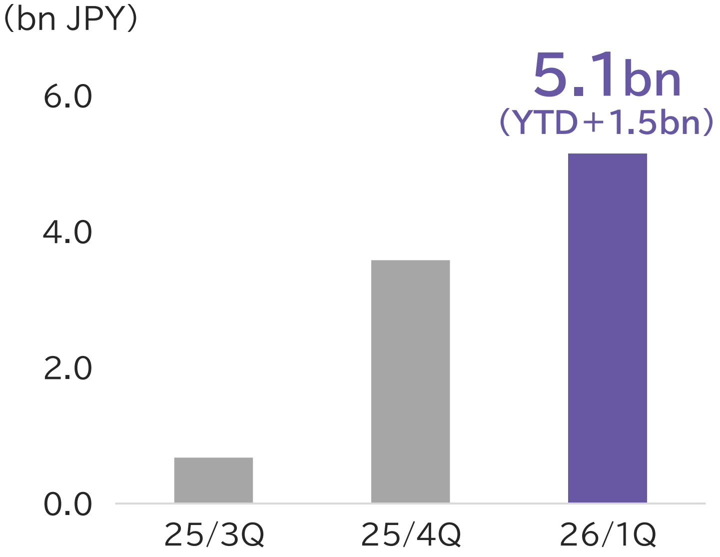
■ AEON Bank (Malaysia)

Deposit balance **28.9bn** (YTD+5.8bn)

Outstanding trade receivables







<u>Year-end rate((as of the end of March for VND and USD)</u> ※Figures in () are the diff from the previous quarter
10,000VND: ¥60.26 (1.2% weaker yen) USD: ¥159.93 (2.2% weaker yen) MYR: ¥40.19(0.3% weaker yen)

KPI Progress for the Mid-Term Management Plan (FY2026–FY2030)

KPI for		Unit	2025 Result	2026 Plan	2026 1Q Result	FY2026 Full-Year Progress Status	2030 Plan
Domestic	Number of Active AEON Pay ID	(10,000 persons)	1,208	3,000	1,368 (Increase from beginning of term +160)	8.9%	6,000
	Outstanding Balance of Current Deposit	(tn yen)	3.2	3.4	3.1 (Decrease from beginning of term -0.05)	—	5.6
	Transaction volume of cashless transactions	(tn yen)	9.8	11.0	2.5 (YoY +0.05)	22.8%	19.0
	Outstanding Account Receivables for individual customers (High-yield)(*1)	(bn yen)	883.8	950.0	896.7 (Increase from beginning of term +12.8)	19.4%	1,260.0
	Outstanding Account Receivables for corporate customers	(bn yen)	337.8	370.0	385.4 (Increase from beginning of term +47.6)	148.8%	530.0
	Personnel cost against operating revenue	(%)	16.9	15.5	15.4 (YoY ▲2.6pt)	—	12.0
Overseas	Outstanding trade receivables (※2)	(bn yen)	1,157.7	1,290.0	1,163.4 (Increase from beginning of term +5.6)	4.3%	1,750.0
	Outstanding trade receivables (※3)	(bn yen)	41.1	59.0	42.9 (Increase from beginning of term +1.7)	10.0%	200.0

*1 Before securitization *2 Total of three overseas listed subsidiaries and AEON Bank (Malaysia) *3 Total of subsidiaries in Vietnam and Cambodia

[Our Purpose]

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

Approach to Enhancing Corporate Value

- Diversify the portfolio through new products such as digital lending, alongside the expansion of account receivables
- Aiming for a 10.0% ROE while improving efficiency

KGI Tree

ROE
Net Income / Equity
FY25 4.5% → FY30 10.0%

By improving ROE
Aiming to boost corporate value

PBR
ROE × Price-to-Earnings Ratio
FY25 0.8 → FY30 1.0 or more

ROE = ROA + Ratio of Other Income, × Financial Leverage

ROA
Operating Income / Total Assets
FY25 0.73% → FY30 0.86%

Ratio of Other Income
(Non-operating income + Extraordinary gains/losses) / Total assets

Financial Leverage
Total Assets / Equity

ROA = Operating Profit ÷ Total Assets

Operating Profit = Balance of account receivables × (Asset Profitability − Cost ratio)

Balance of account receivables
FY25 5.6 trillion yen → FY30 9.4 trillion yen

Cost ratio
Operating expenses / account receivables
FY25 9.0% → FY30 7.2%

Asset Profitability
perating Revenue / Accounts Receivable
FY25 10.1% → FY30 8.2%

Operating Profit
FY25 60.6 bn yen → FY30 100.0 bn yen

Total Assets

KPI

FY30 Target (Difference from FY25)

Domestic

Outstanding account receivables※ (After securitization)	Retail (High Yield)	+380.0 bn yen
	Corporate	+200.0 bn yen
AEON Pay Active IDs		+48 million people (2030 Target 60 million)
Cost Structure Reform		▲36 bn yen (5-year cumulative)
Bank Deposit Balances		+2.4 trillion yen

※ Additionally, we aim to expand the outstanding balance of receivables by 2.0 trillion yen through mortgage loans and other products.

Overseas

Outstanding trade receivables (Top 5 countries)

Listed 3 countries	Thailand, Malaysia, Hong Kong	+600 bn yen
Focus countries	Vietnam, Cambodia	+170 bn yen

List of KPIs Managed Under the Medium-Term Management Plan

KPI for		Unit	2025 Result	2025 YoY	2026 (Plan)	2026 YoY	2027 (Plan)	2028 (Plan)	2029 (Plan)	2030 (Plan)
Domestic	Number of Active AEON Pay ID	(10,000 persons)	1,208	+392	3,000	+1,792	4,000	4,700	5,500	6,000
	Outstanding Balance of Current Deposit	(tn yen)	3.2	▲0.0	3.4	+0.2	3.7	4.1	4.7	5.6
	Transaction volume of cashless transactions	(tn yen)-	9.8	+0.3	11.0	+1.2	12.0	14.0	16.0	19.0
	Outstanding Account Receivables for individual customers (High-yield)(*1)	(bn yen)	883.8	+42.0	950.0	+66.2	1,020.0	1,110.0	1,190.0	1,260.0
	Outstanding Account Receivables for corporate customers	(bn yen)	337.8	+41.5	370.0	+32.2	400.0	430.0	480.0	530.0
	Personnel cost against operating revenue	(%)	16.9	▲1.3	15.5	▲1.4	14.5	14.0	13.0	12.0
Overseas	Outstanding trade receivables (※2)	(bn yen)	1,157.7	+208.4	1,290.0	+132.3	1,400.0	1,550.0	1,630.0	1,750.0
	Outstanding trade receivables (※3)	(bn yen)	41.1	▲11.6	59.0	+17.9	76.0	100.0	150.0	200.0

*1 Before securitization *2 Total of three overseas listed subsidiaries and AEON Bank (Malaysia) *3 Total of subsidiaries in Vietnam and Cambodia

[Domestic] Customer Base

Domestic Valid IDs

40.30 million

(YoY 110%, Increase from beginning of term+1.05 million)

AEON Pay members	Card members ※1	No. of AEON bank accounts	E-money WAON ※2

13.68 million

(Increase of 1.6 million from beginning of term)

26.49 million

(Decrease of 0.04 million from beginning of term)

8.94 million

(Increase of 0.03 million from beginning of term)

モバイル WAON **6.62 million**

(Increase of 0.31 million from beginning of term)

*Total number of WAON electronic money cards issued: 111.22 million

※1 Cardholders include family cardholders.
※2 Mobile WAON members who can be reached via apps, etc.

Cumulative Results of Overseas Listed Companies (Local Currency)

		FY 2025	FY 2026	
		1Q Results	1Q Results	YoY
AEON CREDIT SERVICE (ASIA) HKD$' 000	Revenue	442,180	476,183	108%
	Profit before tax	131,965	163,549	124%
	Profit for the period	109,325	135,977	124%
AEON THANA SINSAP (THAILAND) THB' 000	Revenue	5,392,925	5,171,608	96%
	Profit before tax	1,012,030	988,981	98%
	Profit for the period	808,035	779,743	96%
AEON CREDIT SERVICE (M)Berhad MYR' 000	Revenue	599,922	647,568	108%
	Profit before tax	109,031	130,879	120%
	Profit for the period	77,547	93,433	120%

Cumulative Results of Overseas Listed Companies (Yen conversion)

		FY 2025	FY 2026		Exchange rates
		1Q Results	1Q Results	YoY	
AEON CREDIT SERVICE (ASIA)	Revenue	8.3 bn	9.6 bn	116%	(JPY / HKD) ・FY2025Q1：￥18.80 ・FY2026Q1：￥20.28
	Profit before tax	2.4 bn	3.3 bn	134%	
	Profit for the period	2.0 bn	2.7 bn	134%	
AEON THANA SINSAP (THAILAND)	Revenue	23.5 bn	25.4 bn	108%	(JPY / THB) ・FY2025Q1 ：￥4.37 ・FY2026Q1 ：￥4.93
	Profit before tax	4.4 bn	4.8 bn	110%	
	Profit for the period	3.5 bn	3.8 bn	109%	
AEON CREDIT SERVICE (M)Berhad	Revenue	20.1 bn	25.9bn	129%	(JPY / MYR) ・FY2025Q1 ：￥33.57 ・FY2026Q1 ：￥40.10
	Profit before tax	3.6 bn	5.2bn	143%	
	Profit for the period	2.6 bn	3.7bn	144%	

Transaction Volumes and Operating Receivables of Overseas Business

(Unit：Bn JPY)		China Area (Hong Kong)	YoY (Change)	Mekong Area (Thailand)	YoY (Change)	Malay Area	YoY (Change)	Overseas Business	YoY (Change)
Credit card	Transaction volume	75.4	119%	70.5	92%	31.0	140%	177.0	109%
	Operating Receivables	121.3	+21.1	160.4	+1.4	48.1	+11.6	329.9	+34.2
Installment finance	Transaction volume	-	-	5.5	76%	41.5	117%	47.1	110%
	Operating Receivables	-	-	53.3	+10.6	395.6	+79.7	449.0	+90.4
Personal loans	Transaction volume	8.3	159%	27.3	108%	22.2	112%	57.9	115%
	Operating Receivables	34.8	+6.2	197.5	+0.0	206.3	+51.0	438.7	+57.2
Total	Transaction volume	83.7	122%	103.4	94%	94.8	122%	282.1	110%
	Operating Receivables	156.2	+27.3	411.3	+12.2	650.1	+142.4	1,217.6	+182.0

Balance Sheet Status

(Unit: Bn JPY)	FY 2026	
	1Q Results	YTD
Cash and deposits	456.6	▲ 220.1
Operating Loans	1,086.8	+27.6
Loans and bills discounted for banking business	2,925.8	+85.0
Accounts receivables-installment	1,841.4	+111.0
Allowance for doubtful accounts	▲ 135.3	+1.2
Other	2,174.1	+30.7
Total assets	8,349.6	+35.6

	FY 2026	
	1Q Results	YTD
Deposits	5,426.0	▲56.0
Accounts payable-trade	489.4	+96.5
Interest-bearing debt (excl. deposits)	1,430.0	▲9.3
Other	386.4	+11.9
Total liabilities	7,731.8	+43.1
Total net assets	617.7	▲7.4
Total liabilities and net assets	8,349.6	+35.6

Segment Performance

(Unit：Bn JPY)	Domestic Total ※	Retail	Solutions	Overseas Total ※	China Area	Mekong Area	Malay Area	Consol. Total ※
Operating Revenue	89.1	66.9	50.4	65.3	9.8	26.0	29.4	153.8
YoY	110%	112%	107%	116%	116%	107%	125%	113%
Operating Profit	5.9	1.5	5.0	11.5	3.3	4.1	4.0	17.4
YoY	172%	-%	108%	123%	134%	103%	141%	135%
Operating Profit Ratio	6.7%	2.3%	10.1%	17.6%	33.7%	15.9%	13.8%	11.4%
Change	+2.4pt	+3.4pt	+0.0pt	+0.9pt	+4.5pt	▲0.7pt	+1.5pt	+1.8pt

(Reference) The impact on revenue due to securitization ¥0.5 bn (▲0.6 bn compared to the same period of the previous FY)

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

Results by Area

	(Unit:Bn JPY)	Transaction volume	YoY	Operating receivables (Before securitization)	YTD
Domestic	Credit card	2,134.1	104%	2,022.4	+93.0
	Credit card shopping	2,038.5	104%	1,583.4	+89.4
	(Of which, revolving and installment)	-	-	403.3	+8.2
	Cash advance	95.5	92%	438.9	+3.6
	Housing loan	120.5	131%	4,084.6	+38.1
	Other	-	-	1,326.2	+4.5
	Total	-	-	7,433.3	+135.7
Overseas	Credit Card	177.0	109%	329.9	▲4.0
	Credit card shopping	127.0	110%	176.3	▲1.0
	Cash advance	50.0	106%	153.5	▲2.9
	Installment finance	47.1	110%	449.0	+9.1
	Personal loans	57.9	115%	438.7	+0.3
	Other	-	-	2.0	+0.2
	Total	-	-	1,219.7	+5.7

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

【Allowance for doubtful accounts】

(Unit: Bn JPY)	Domestic Total	Retail	Solutions	Overseas Total	China Area	Mekong Area	Malay Area	Consol. Total
Opening allowance for doubtful accounts	55.3	1.6	54.2	80.3	5.5	41.6	33.2	136.6
Bad debt related expenses (allowance for doubtful accounts and losses)	6.2	0.0	6.2	20.3	2.0	8.4	9.9	26.5
Bad debt written off (including transferred debt)	6.9	0.0	6.9	20.9	1.9	9.7	9.2	27.8
Ending balance of allowance for doubtful accounts	54.6	1.6	53.5	79.7	5.5	40.3	33.8	135.3

※Balance at end of period for domestic subsidiaries

<Retail>	AEON Bank:	¥1.6bn
<Solutions>	AEON Financial Service:	¥54.5bn
	AEON Housing Loan Service:	¥0.9bn

【Provision for loss on interest repayment】

(Unit: Bn JPY)	FY2025 1Q Result	FY2026 1Q Result
Beginning of term	0.9	0.4
Provision	-	-
Interest repayment	0.1	0.0
End of period	0.7	0.4

AEON Bank's progress in response to the business improvement order

- AEON Bank's improvement plan is progressing without delay
- For completed items, continue enhancing operational sophistication through measures like introducing external services to strengthen the frameworkTraining for responsible departments (February 2026)

Details of the business improvement order

Foster a sound risk culture that places emphasis on anti-money laundering and terrorist financing measures, establish an effective anti-money laundering and terrorist financing risk management system, and establish appropriate business operations regarding the reporting of suspicious transactions.

Responses

1. Strengthening governance regarding anti-money laundering and anti-terrorist financing
2. Establishing a system for timely and appropriate reporting of suspicious transactions
3. Dealing with transactions that were detected by the transaction monitoring system but left unattended without determining whether they were suspicious
4. Early resolution of outstanding matters in the guidelines
5. Early release of new system and start of new business operations

Details of the progress of the business improvement plan can be found on the AEON Bank website.(Japanese only)
https://www.aeonbank.co.jp/company/release/2025/

Main progress during the 1st Quarter

Strengthening of governance

・Conducted a management–employee roundtable (May 2026) to enhance employee awareness and facilitate two-way dialogue.

Building a response system

・Reporting and analysis of Key Risk Indicator (KRI) performance and trends on a monthly basis (from January 2025).
・Built an operational structure with workforce allocation aligned to workload (May 2026).
・Built an internal audit framework through additional hiring and the use of external expertise (May 2026).

Education/Training

・Continued implementation of training programs based on the FY2026 training plan (from March 2026).

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.

ÆON Financial Service