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October 6, 2021

AEON Financial Service Co., Ltd.

Notice regarding Revision to Consolidated Results

AEON Financial Service Co., Ltd. (referred to as “Company”) hereby revises its forecasts of consolidated results and dividend for the fiscal year ending February 28, 2022 (fiscal 2021), which were announced in Brief Report on April 9, 2021 as shown below.

1.Outlook

(1) Forecast for the full year ending February 28, 2022

(From March 1, 2021, to February 28, 2022)

(Millions of yen, %)

	Operating revenue	Operating profit	Ordinary profit	Profit attributable to owners of parent	Net income per share (yen)
Previous forecast(A)	490,000	41,000	41,000	19,000	88.04
	~ 520,000	~ 46,000	~ 46,000	~ 21,000	~ 97.31
New forecast(B)	490,000	46,000	41,000	23,000	106.56
	~ 520,000	~ 51,000	~ 46,000	~ 26,000	~ 120.46
Change (B-A)	—	5,000 ~ 5,000	5,000 ~ 5,000	4,000 ~ 5,000	
Change (%)	—	10.9 ~ 12.2	10.9 ~ 12.2	21.1 ~ 23.8	
(Reference) Results for the full year ended February 28, 2021	487,309	40,651	40,238	17,693	81.99

(2) Reason for the announcement

The Company calculated its full-year consolidated earnings forecast for the fiscal year ending February 28, 2022, based on an increase in sales promotion expenses and personnel expenses accompanying the intensification of operating activities, as well as the recording of provision

for the accumulation of outstanding receivables, on the assumption that economic activity would recover.

In the external environment, since the middle of the first quarter consolidated cumulative period, economic activity has been limited due to the rapid increase in the number of new cases in Japan, major overseas countries including Thailand and Malaysia. Since then, areas subjected to restricted activities has continued to expand and tighten, sales volume of card shopping, individual installments, and the balance of receivables have been sluggish due to the effects of the suspension of merchants and time-shortened operations. On the other hand, in addition to improving convenience and productivity through digitalization, the Company worked to refine screenings and strengthen debt collection, and restrained expenses mainly related to bad debts, thus consolidated financial results for the first half of the fiscal year exceeded initial expectations. In addition to the declining number of new cases recently, the Company judged that the downside risk from the third quarter onwards was limited, as consumption has been invigorated in each country due to the spread of vaccination.

In light of this situation, the Company forecast that operating profit, ordinary profit, and Profit attributable to owners of parent are all expected to exceed initial expectations, thus the Company revise earnings forecast upward.

In addition, since the new coronavirus infection continues to be a situation where uncertainty about the outlook is not dispelled, the Company will disclose consolidated earnings forecasts for the fiscal year ending February 28, 2022 in a range format, and promptly disclose them if it is necessary to review earnings forecasts.

Note: The above forecasts are based on information currently available to the Company and takes into consideration certain assumptions deemed reasonable and are not a commitment for the Company to achieve them. Actual results may differ significantly due to varying factors.