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January 12, 2022

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 for the fiscal year ending February 28, 2022 (fiscal 2021), which were announced in Brief Report on October 6, 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 ~ | 46,000 ~ | 46,000 ~ | 23,000 ~ | 106.56 ~ |
| | 520,000 | 51,000 | 51,000 | 26,000 | 120.46 |
| New forecast(B) | 460,000 | 51,000 | 51,000 | 25,000 | 115.83 |
| Change (B-A) | △30,000 ~ | 5,000~0 | 5,000~0 | 2,000 ~ | |
| | △60,000 | | | △1,000 | |
| Change (%) | △6.1 ~△.115 | 10.9~0.0 | 10.9~0.0 | 8.7~△3.8 | |
| (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 revises its forecasts of consolidated results for the fiscal year ending February 28, 2022, which were announced on October 6, 2021. There is no revision to the dividend forecast. The external environment during the three months of the third quarter (September 1, 2021 to

November 30, 2021) is in the midst of the movement to ease activity restrictions due to the subsidence of the covid-19 infection in the developing countries / regions. Credit card shopping, cash advance and personal loan transaction volume exceeded the same period of the previous year due to the recovery of customer consumption and implementing sales promotion measures in response to changes in consumption trends, etc. ,but the balance of trade receivables remained sluggish due to slow recovery. On the other hand, by working to refine screenings and strengthen debt collection, improve bad debt-related expenses, and curb costs by improving convenience and productivity through digitalization. Consolidated operating revenue of the cumulative period for the third quarter was significantly higher than the same period of the previous year.

As a result of scrutinizing the prospects for full-year results based on this situation, operating revenue is revised downward. The reason is that the recovery of the balance of operating receivables was delayed more than expected and the insurance income decreased due to the cancellation of the maturity of the annuity insurance at the insurance subsidiary consolidated in the previous year. Operating profit, ordinary profit and profit attributable to owners of parent are expected to be at the upper limit of the previous forecast to the judge that the risk of unexpected cost increase such as bad debt related expenses is low.

The above-mentioned forecast figures are expected to be judged based on the information available at this time, and in addition to domestic and overseas economic trends, it is still not possible to determine the convergence time of the covid-19 infection. The results may differ depending on various factors.