

March 21, 2025

Company name: AEON Financial Service Co., Ltd.
Representative: Shunsuke Shirakawa, Chairman
and President
(Security code: 8570, Tokyo Stock
Exchange, Prime Market)
Contact: Tomoyuki Mitsufuji, Director and
Managing Executive Officer
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**Notice Regarding Transfer of Consolidated Subsidiary (Transfer of Shares), and
Conclusion of Comprehensive Partnership Agreement with Meiji Yasuda Life
Insurance Company and AEON CO., Ltd.**

AEON Financial Service Co., Ltd. (hereinafter “the Company”) hereby announces that it resolved at its Board of Directors meeting held today to transfer most of the issued shares of AEON Allianz Life Insurance Co., Ltd. (hereinafter “AEON Allianz Life Insurance”), a consolidated subsidiary, to Meiji Yasuda Life Insurance Company (hereinafter “Meiji Yasuda”) (hereinafter “the Share Transfer”), and entered into a share transfer agreement concerning the Share Transfer (hereinafter “the Share Transfer Agreement”).

Due to this share transfer, the Company’s voting rights ownership ratio in AEON Allianz Life Insurance will be 14.9%, and this company will be excluded from consolidated subsidiaries of the Company.

In addition, the Company also announces that it resolved at its Board of Directors meeting held today on a comprehensive partnership agreement with Meiji Yasuda and AEON Co., Ltd. (hereinafter “AEON”), the parent company of the Company, and entered into the agreement as of today.

1. Reason for the Share Transfer and the comprehensive partnership

AEON Allianz Life Insurance, a consolidated subsidiary of the Company, has provided medical insurance, among other insurance services, to a wide range of customers in collaboration with each AEON group company as the only company engaged in the life insurance business in the Group since joining the Group in 2020.

In the meantime, while conducting a review of the business portfolio in response to the business environment that has been rapidly changing in recent years, the Company has come to the conclusion that it needs to review the strategy, including partnerships with other companies regarding the life insurance

business.

On this occasion, the Company will transfer most of its held shares of AEON Allianz Life Insurance to Meiji Yasuda, and the Company, Meiji Yasuda and AEON (hereinafter “the Three Companies”) will promote a comprehensive partnership. Through this comprehensive partnership, the Three Companies will co-create diverse value propositions that contribute to health enhancement and regional revitalization by making use of their respective strengths, and offer valuable products and services to the Three Companies’ customers and other stakeholders.

Through the Share Transfer and the conclusion of the Agreement, the Company will accelerate the concentration of its management resources in core fields and growth areas, while achieving further increase of the corporate value by promoting the comprehensive partnership.

2. Details of the comprehensive partnership

Initiatives to be prioritized at present as the comprehensive partnership are as follows.

(1) Joint operation of the card business

- The Company and Meiji Yasuda jointly conduct the card business for customers of both companies.
- As the first step, we will promote the creation of new services starting from the card business, such as improvement of convenience at the time of premium payment, through issuance of co-branded credit cards.

(2) Co-creation of new value, mainly in the health field, by utilizing data

- We will examine the establishment of a joint data platform by the Company and Meiji Yasuda and utilizing the platform to create and sophisticate value propositions that contribute to the realization of a healthy and affluent life of both companies’ customers, as well as develop new insurance products/health enhancement services.

(3) Support for health enhancement and asset building by utilizing AEON Group’s store network and Meiji Yasuda’s contents

- The Company and Meiji Yasuda will jointly hold seminars/events that contribute to health enhancement/asset building as well as digital customer creation campaigns at stores and facilities run by the AEON Group across the nation.

3. Overview of the subsidiary to be transferred

(1) Name	AEON Allianz Life Insurance Co., Ltd.
(2) Location	Sumitomo Fudosan Suidobashi Ikisaka Building, 1-10-9, Hongo, Bunkyo-ku, Tokyo
(3) Title and name of	Toshiya Noguchi, President and Representative Director

the representative			
(4) Line of business	Insurance business		
(5) Share capital	24,649,950,000 yen (as of November 29, 2024)		
(6) Date of establishment	December 18, 2006		
(7) Major shareholder and ratio of shareholding	AEON Financial Service Co., Ltd., 100%		
(8) Relationships between the listed company and the said company	Capital relationship	The Company holds 100% of the shares of the said company.	
	Personal relationship	The Company has assigned one Director and one Corporate Auditor (Full-Time) to the said company, and five persons have been loaned from the Company and its subsidiaries to the said company as employees. In addition, three employees of the said company have been loaned to the Company.	
	Business relationship	The Company has transactions for acceptance of business management fee services, fees and sublease of offices with the said company.	
(9) The said company’s financial position and operating results for the latest three years (non-consolidated)			
Fiscal year	FY March 2022	FY March 2023	FY March 2024
Net assets	4,203 million yen	4,979 million yen	5,953 million yen
Total assets	64,164 million yen	56,520 million yen	52,688 million yen
Net assets per share	77,848 yen	47,422 yen	36,749 yen
Ordinary revenue	19,107 million yen	12,755 million yen	12,723 million yen
Ordinary profit	(3,399 million yen)	(3,974 million yen)	(3,398 million yen)
Profit	(3,887 million yen)	(4,425 million yen)	(4,728 million yen)
Profit per share	(71,985 yen)	(47,886 yen)	(39,066 yen)
Dividend per share	- yen	- yen	- yen

4. Overview of the counterparty to the Share Transfer and the comprehensive partnership (Meiji Yasuda)

(1) Name	Meiji Yasuda Life Insurance Company
(2) Location	2-1-1, Marunouchi, Chiyoda-ku, Tokyo

(3) Title and name of the representative	Hideki Nagashima, Director, President, and Group CEO		
(4) Line of business	Life insurance business		
(5) Foundation funds	980,000 million yen (as at the end of September 2024) (including reserve for redemption of foundation funds)		
(6) Date of establishment	July 10, 1947		
(7) Major shareholder and ratio of shareholding	Not applicable since the said company is a mutual company.		
(8) Relationships between the listed company and the said company	Capital relationship	There is no capital relationship to be stated between the Company and the said company.	
	Personal relationship	There is no personal relationship to be stated between the Company and the said company.	
	Business relationship	There is no business relationship to be stated between the Company and the said company.	
	Status of falling under a related party	Not applicable.	
(9) The said company’s consolidated financial position and consolidated operating results for the latest three years			
Fiscal year	FY March 2022	FY March 2023	FY March 2024
Net assets	4,305,697 million yen	3,688,627 million yen	5,782,829 million yen
Total assets	48,202,554 million yen	48,781,836 million yen	52,850,412 million yen
Ordinary revenue	4,214,339 million yen	5,416,690 million yen	5,477,227 million yen
Ordinary profit	231,341 million yen	270,761 million yen	232,161 million yen
Net surplus for the period attributable to owners of parent	181,799 million yen	85,855 million yen	153,525 million yen

5. Overview of the counterparty to the comprehensive partnership (AEON)

(1) Name	AEON Co., Ltd.
(2) Location	1-5-1, Nakase, Mihama-ku, Chiba City, Chiba
(3) Title and name of the representative	Akio Yoshida, President and CEO
(4) Line of business	Managing the business activities of companies engaged in retail, development,

	finance, services and related businesses through holding shares in those companies		
(5) Share capital	220,007 million yen (as of November 30, 2024)		
(6) Date of establishment	September 21, 1926		
(7) Major shareholders and ratio of shareholding (as of August 31, 2024)	The Master Trust Bank of Japan, Ltd. (Trust Account)		13.23%
	Custody Bank of Japan, Ltd. (Trust Account)		4.46%
	Mizuho Bank, Ltd.		3.88%
	The Cultural Foundation of Okada		2.57%
	AEON Environmental Foundation		2.54%
	The Norinchukin Bank		2.12%
	STATE STREET BANK WEST CLIENT-TREATY 505234 (Standing proxy: Mizuho Bank, Ltd., Settlement Sales Department)		1.48%
	Employees' shareholding association		1.39%
	AEON Mutual Benefit Society (Nomura Securities account)		1.36%
	Tokyo Marine & Nichido Fire Insurance Co., Ltd.		1.17%
(8) Relationships between the listed company and the said company	Capital relationship	The said company holds 50.00% of the shares of the Company (including indirect shareholding).	
	Personal relationship	Two Directors and one Corporate Auditor (Part-Time) have been assigned from the said company to the Company, and the Company has accepted two workers loaned from the said company as employees. In addition, 15 employees of the Company have been loaned to the said company.	
	Business relationship	The Company has transactions for entrustment of business operations, fees and lease of offices with the said company.	
	Status of falling under a related party	The said company is the parent company of the Company, and therefore falls under a related party.	
(9) The said company's consolidated financial position and consolidated operating results for the latest three years			
Fiscal year	FY February 2022	FY February 2023	FY February 2024
Net assets	1,812,423 million yen	1,970,232 million yen	2,087,201 million yen
Total assets	11,633,083 million yen	12,341,523 million yen	12,940,869 million yen
Net assets per share	1,131 yen	1,161 yen	1,232 yen

Operating revenue	8,715,957 million yen	9,116,823 million yen	9,553,557 million yen
Operating profit	174,312 million yen	209,783 million yen	250,822 million yen
Profit attributable to owners of parent	6,504 million yen	21,381 million yen	44,692 million yen
Profit per share	7.69 yen	25.11 yen	52.25 yen
Dividend per share	36.00 yen	36.00 yen	36.00 yen

6. Number of shares to be transferred, transfer price, and status of shareholdings before and after the transfer

(2) Number of shares held before the transfer	863,000 shares (number of voting rights: 863,000 units) (voting rights ownership ratio: 100%)
(2) Number of shares to be transferred	734,413 shares (number of voting rights: 734,413 units)
(3) Transfer price of shares to be transferred	49.4 billion yen
(4) Number of shares held after the transfer	128,587 shares (number of voting rights: 128,587 units) (voting rights ownership ratio: 14.9%)

(*) The number of shares held reflects a capital increase of 66 billion yen in AEON Allianz Life Insurance by the Company, which is scheduled to be implemented immediately before the Share Transfer, (hereinafter “the Capital Increase before Closing”).

(*) The transfer price of shares to be transferred is the amount agreed as share value of shares to be transferred held by the Company in light of the Capital Increase before Closing. The final transfer price will be determined through price adjustments stipulated in the Share Transfer Agreement, etc.

7. Schedule

(1) Date of resolution by the Board of Directors	March 21, 2025
(2) Date of concluding the agreement	March 21, 2025
(3) Date of implementing the Share Transfer	July 1, 2025 (planned)

(*) The date of implementing the Share Transfer may vary depending on procedures of competition

authorities, and other factors.

8. Future outlook

The impact of the Share Transfer and the conclusion of the Agreement on the Company's consolidated operating results for the fiscal year ending February 28, 2026 is being closely examined at present. If any matter to be disclosed occurs, we will announce it promptly.