

Brief Report of Financial Results for the Six Months ended August 31, 2025

October 9, 2025

Company name **AEON Financial Service Co., Ltd.**
Listings Tokyo Stock Exchange, Prime Market
Security code 8570
URL <https://www.aeonfinancial.co.jp/en/>
Representative Tomoharu Fukayama, President and CEO
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Submission date for semi-annual report: October 14, 2025 Date for start of dividend payments: November 14, 2025
Preparation of brief summary materials for financial results: Yes
Holding of financial results presentation: Yes (For institutional investors and analysts)

1. Business performance (For the Six Months ended August 31, 2025 and for the Six Months ended August 31, 2024)

(1) Consolidated Operating Results

(Millions of yen truncated to the nearest million, %, yen)

	Operating revenue	Percentage Change	Operating profit	Percentage Change	Ordinary profit	Percentage Change	Profit attributable to owners of parent	Percentage Change
Six Months ended August 31, 2025	278,160	8.7	28,322	4.3	29,192	7.7	8,745	△14.4
Six Months ended August 31, 2024	255,790	7.7	27,142	33.8	27,111	27.2	10,215	41.2

(Note) Comprehensive income; For the Six Months ended August 31, 2025; 9,464 million (△52.0%),
For the Six Months ended August 31, 2024; 19,711 million (△35.2%)

(yen)

	Net Income per Share	Fully Diluted Net Income per Share
Six Months ended August 31, 2025	40.51	40.51
Six Months ended August 31, 2024	47.32	47.32

(2) Financial Position

(Millions of yen truncated to the nearest million, %, yen)

	Total Assets	Net Assets	Total equity ratio	Net Assets per Share
Six Months ended August 31, 2025	8,219,496	583,097	5.5	2,102.02
Fiscal 2024 ended February 28, 2025	7,756,492	585,766	5.9	2,136.09

(Note) Equity capital; For the Six Months ended August 31, 2025; 453,793 million
Fiscal year ending February 2025; 461,139 million

2. Cash Dividends

(yen)

(Base date)	Dividend per share				
	First quarter period	Interim period	Third quarter period	Term end	Annual
Fiscal 2024 ended February 28, 2025	—	25.00	—	28.00	53.00
Fiscal 2025 ended February 28, 2026	—	25.00			
Fiscal 2025 ended February 28, 2026 (Estimated)			—	28.00	53.00

(Note) Amendments from the most recently published dividend forecast : None

3. Projections (For the fiscal year ending February 28, 2026)

(Millions of yen, %)
(YoY is the percentage of change to the previous year)

	Operating revenue	YoY	Operating profit	YoY	Ordinary profit	YoY	Profit attributable to owners of parent	YoY	Net income per share
Full term	570,000	6.9	57,000	△7.3	57,000	△8.9	21,000	34.2	97.28

(Note) Amendments from the most recently published projections forecast : None

※Notes

(1) Change in significant subsidiary during the term: Yes

Newly added: N/A, Excluded: 1 company (Company name) AEON Allianz Life Insurance Co., Ltd.

(Note) For details, see " (3) Notes on the Consolidated Financial Statements (Significant Changes in the Scope of Consolidation During the Interim Period)" on page 6 of the attached documents.

(2) Application of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

(3) Change in accounting principle, procedure, disclosure, etc. concerning preparation of consolidated financial statements

① Change due to a newly issued accounting requirement: Yes

② Change other than ①: None

③ Change accounting quotation: None

④ Restatement: None

(4) Number of shares issued (Common stock)

1) Number of shares issued at end of period (treasury stock included):

August 31, 2025; 216,010,128 shares, Fiscal 2024; 216,010,128 shares

2) Number of shares held in treasury at end of period:

August 31, 2025; 125,741 shares; Fiscal 2024; 129,593 shares

3) Average number of shares outstanding during the period:

Six Months ended August 31, 2025: 215,881,825 shares

Six Months ended August 31, 2024: 215,873,193 shares

※The second quarter financial results report is not subject to review by a certified public accountant or auditing firm.

※Explanation of the Appropriate Use of Earnings Forecasts and Other Important Notes

(Caution Regarding Forward-Looking Statements, etc.)

The earnings and dividend forecasts are based on future outlooks, assumptions, and projections as of the date of this document, and are not intended to guarantee that they will be achieved. Actual results may differ from the forecasts due to various factors.

(How to Obtain Supplementary Financial Statements)

The Company provides supplementary financial statements regarding our business and earnings on our website.

Attachments
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1. Consolidated Financial Statements

(1) Consolidated Balance Sheet

(Millions of yen)

	As of February 28, 2025	As of August 31, 2025
Assets		
Current assets		
Cash and deposits	814,786	769,092
Call loans	1,514	5,963
Accounts receivable - installment	1,747,333	1,918,686
Lease receivables and investments in leases	14,474	16,245
Operating loans	979,935	1,011,616
Loans and bills discounted for banking business	2,670,472	2,700,883
Securities for banking business	768,296	929,763
Securities for insurance business	15,049	—
Monetary claims bought	79,348	137,363
Money held in trust	106,535	80,371
Other	350,500	422,703
Allowance for doubtful accounts	△124,434	△127,360
Total current assets	7,423,813	7,865,329
Non-current assets		
Property, plant and equipment	34,512	38,201
Intangible assets		
Goodwill	40,202	36,481
Software	144,191	148,319
Other	3,147	2,939
Total intangible assets	187,541	187,740
Investments and other assets	110,209	127,922
Total non-current assets	332,264	353,864
Deferred assets	414	303
Total assets	7,756,492	8,219,496
Liabilities		
Current liabilities		
Accounts payable - trade	317,805	496,154
Deposits for banking business	5,206,242	5,513,823
Short-term borrowings	169,081	157,333
Current portion of long-term borrowings	217,297	221,692
Current portion of bonds payable	95,888	77,822
Commercial papers	8,281	8,647
Provision for bonuses	6,195	4,801
Provision for point card certificates	1,633	1,501
Other provisions	122	38
Other	275,682	281,681
Total current liabilities	6,298,229	6,763,495
Non-current liabilities		
Reserve for insurance policy liabilities	42,753	98
Bonds payable	203,976	221,969
Long-term borrowings	586,476	594,436
Retirement benefit liability	1,662	1,384
Provision for loss on interest repayment	932	686
Other provisions	4,223	3,056
Deferred tax liabilities	1,732	10,679
Other	30,738	40,593
Total non-current liabilities	872,496	872,904
Total liabilities	7,170,726	7,636,399

(Millions of yen)

	As of February 28, 2025	As of August 31, 2025
Net assets		
Shareholders' equity		
Share capital	45,698	45,698
Capital surplus	118,729	118,805
Retained earnings	290,209	293,001
Treasury shares	△330	△321
Total shareholders' equity	454,306	457,184
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	△29,991	△54,950
Deferred gains or losses on hedges	642	14,731
Foreign currency translation adjustment	35,971	36,520
Remeasurements of defined benefit plans	210	306
Total accumulated other comprehensive income	6,833	△3,391
Share acquisition rights	0	4
Non-controlling interests	124,626	129,299
Total net assets	585,766	583,097
Total liabilities and net assets	7,756,492	8,219,496

(2) Consolidated Statement of Income and Comprehensive Income
(Consolidated Income Statement for the Six Months ended August 31, 2025)

(Millions of yen)

	Six months ended August 31, 2024	Six months ended August 31, 2025
Operating revenue		
Revenue from credit card business	67,796	69,651
Revenue from installment sales finance business	24,627	26,530
Financing revenue	82,291	86,625
Recoveries of written off receivables	9,599	9,890
Financial revenue	23,234	34,981
Insurance revenue	6,486	4,102
Fees and commissions	37,162	41,949
Other	4,591	4,429
Total operating revenue	255,790	278,160
Operating expenses		
Financial expenses	17,136	27,664
Insurance expenses	6,003	3,677
Fees and commissions payments	5,225	5,332
Selling, general and administrative expenses	198,720	210,888
Other	1,562	2,276
Total operating expenses	228,648	249,838
Operating profit	27,142	28,322
Non-operating income		
Dividend income	86	160
Gain on investments in investment partnerships	62	1,958
Subsidy income	146	—
Other	78	34
Total non-operating income	373	2,153
Non-operating expenses		
Share of loss of entities accounted for using equity method	—	157
Foreign exchange losses	401	1,123
Miscellaneous losses	3	2
Total non-operating expenses	404	1,282
Ordinary profit	27,111	29,192
Extraordinary income		
Gain on sale of non-current assets	4	10
Gain on sale of investment securities	—	1,013
Total extraordinary income	4	1,023
Extraordinary losses		
Loss on disposal of non-current assets	351	207
Impairment losses	4	2,794
Loss on sale of shares of subsidiaries	2,306	9,539
Other	39	—
Total extraordinary losses	2,701	12,542
Profit before income taxes	24,414	17,674
Income taxes - current	11,198	9,407
Income taxes - deferred	△2,841	△7,843
Total income taxes	8,357	1,564
Profit	16,056	16,109
Profit attributable to non-controlling interests	5,840	7,364
Profit attributable to owners of parent	10,215	8,745

(Consolidated Statement of Comprehensive Income for the Six Months ended August 31, 2025)
(Millions of yen)

	Six months ended August 31, 2024	Six months ended August 31, 2025
Profit	16,056	16,109
Other comprehensive income		
Valuation difference on available-for-sale securities	△483	△24,895
Deferred gains or losses on hedges	△1,830	13,170
Foreign currency translation adjustment	6,015	4,982
Remeasurements of defined benefit plans, net of tax	△47	97
Total other comprehensive income	3,654	△6,645
Comprehensive income	19,711	9,464
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	12,270	△1,479
Comprehensive income attributable to non-controlling interests	7,440	10,943

(3) Notes on the Consolidated Financial Statements
(Notes Regarding Going Concern Assumption)
Not applicable.

(Notes Regarding Significant Changes in Shareholders' Equity)
Not applicable.

(Significant Changes in the Scope of Consolidation During the Interim Period)

During the interim period, the Company transferred a portion of the shares of AEON Allianz Life Insurance Co., Ltd., a consolidated subsidiary of the Company, and therefore excluded the company from the scope of consolidation.

(Changes in Accounting Policies)

(Application of the "Accounting Standard for Corporate Taxes, Resident Taxes, and Enterprise Taxes," etc.)

The "Accounting Standard for Corporate Taxes, Resident Taxes, and Enterprise Taxes, etc." (ASBJ Statement No. 27, October 28, 2022; hereinafter referred to as the "2022 Revised Accounting Standard") and other amendments have been applied from the beginning of the interim period.

Regarding the amendments to the classification of corporate taxes, etc. (taxation of other comprehensive income), the Company has followed the transitional treatment set forth in the proviso to Paragraph 20-3 of the 2022 Revised Accounting Standards and the transitional treatment set forth in the proviso to Paragraph 65-2(2) of the "Guidance on Accounting Standards for Tax Effect Accounting" (ASBJ Guidance No. 28, October 28, 2022; hereinafter referred to as the "2022 Revised Guidance"). This change in accounting policy has no impact on the interim consolidated financial statements.

Furthermore, regarding the amendments related to the review of the treatment in consolidated financial statements of cases in which gains or losses arising from the sale of subsidiary shares, etc. between consolidated companies are deferred for tax purposes, the 2022 Revised Guidance has been applied from the beginning of this interim consolidated fiscal year. This change in accounting policy has been applied retroactively, and the interim consolidated financial statements and consolidated financial statements for the previous interim consolidated fiscal year and fiscal year have been retroactively applied. This change in accounting policy has no impact on the interim consolidated financial statements for the previous interim consolidated accounting period or the consolidated financial statements for the previous consolidated accounting period.