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Financial Results for the Three Months ended May 31, 2025

July 31, 2025

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Listings Tokyo Stock Exchange (Prime Market)
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Scheduled dates:

Commencement of dividend payments -
Supplementary materials to the quarterly results Available
Quarterly earnings results briefing Yes (targeted at institutional investors and analysts)

(Amounts rounded down to the nearest million)

1. Consolidated Financial Results for the Three Months ended May 31, 2025

(March 1, 2025 to May 31, 2025)

(1) Operating Results

(Percentage figures represent year-on-year changes)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of the parent	
	million yen	%	million yen	%	million yen	%	million yen	%
Three months ended May 31, 2025	2,566,897	4.8	56,282	17.8	48,056	5.9	(6,570)	—
Three months ended May 31, 2024	2,449,216	5.4	47,795	(7.1)	45,397	(5.7)	3,348	(81.1)

Note:

Comprehensive income: Three months ended May 31, 2025: (42,266) million yen (—%)
Three months ended May 31, 2024: 16.399 million yen (-68.4%)

	Earnings per share	Earnings per share – fully diluted
	yen	yen
Three months ended May 31, 2025	(7.63)	—
Three months ended May 31, 2024	3.91	3.90

Note:

- Although the Company has dilutive shares, Earnings per share – fully diluted for the three months ended May 31, 2025 is not presented, as a net loss per share was recorded for the period.
- The “Accounting Standard for Income Taxes” (ASBJ Statement No. 27, issued on October 28, 2022) and other related standards have been applied from the beginning of the first quarter of the current consolidated fiscal period. Accordingly, the figures related to the fiscal year ending February 28, 2025 reflect retrospective adjustments.

(2) Financial Position

	Total assets	Net assets	Total equity ratio	Net assets per share
	million yen	million yen	%	yen
May 31, 2025	14,143,864	1,992,308	6.9	1,136.41
[excl. Financial Services]	[6,853,442]	[1,548,106]	[12.7]	—
February 28, 2025	13,833,319	2,135,271	7.7	1,234.94
[excl. Financial Services]	[6,570,212]	[1,664,006]	[14.2]	—

Reference:

1. Total equity: May 31, 2025: 978,461 million yen February 28, 2025: 1,063,275 million yen
Total equity = Shareholders' equity plus total accumulated other comprehensive income.
2. The figures in square brackets represent the consolidated financial position excluding the Financial Services Business.

Note:

The "Accounting Standard for Income Taxes" (ASBJ Statement No. 27, issued on October 28, 2022) and related standards have been adopted from the beginning of the first quarter of the current consolidated fiscal period. Accordingly, the figures related to the fiscal year ending February 28, 2025 reflect retrospective adjustments.

2. Dividends

Record date or period	Dividend per share				
	End-first quarter	End-second quarter	End-third quarter	Fiscal year-end	Annual total
	yen	yen	yen	yen	yen
Year ended February 28, 2025	—	20.00	-	20.00	40.00
Year ending February 28, 2026	-				
Year ending February 28, 2026 (forecast)		20.00	-	7.00	—

Notes:

No changes were made to the latest release of dividend forecasts.

1. For the fiscal year ending February 28, 2025, the Company distributed an interim ordinary dividend of 18 yen per share along with a commemorative dividend of 2 yen per share. Additionally, a year-end ordinary dividend of 18 yen per share and a commemorative dividend of 2 yen per share were also distributed.
2. The Company plans to conduct a stock split at a ratio of 3 shares for every 1 common share, effective September 1, 2025. The interim dividend is set at 20 yen, and the year-end dividend is 7 yen, reflecting the impact of the stock split. In addition, the total annual dividends are not presented, as a straightforward comparison is not feasible due to the stock split. Without considering the stock split, the year-end dividend would be 21 yen, and the total annual dividend would be 41 yen.

3. Forecast of Consolidated Earnings for the Fiscal Year ending February 28, 2026

(March 1, 2025 to February 28, 2026)

(Percentage figures represent year-on-year changes)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of the parent		Earnings per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Full year	10,500,000	3.6	270,000	13.6	250,000	11.5	40,000	47.2	15.49

Notes:

No changes were made to the latest release of earnings forecasts.

1. The Company plans to conduct a stock split at a ratio of 3 shares for every 1 common share, effective September 1, 2025. The full-year forecast for earnings per share in the consolidated earnings for the fiscal year ending February 2026 reflects the impact of this stock split. Without considering the stock split, earnings per share would be 46.46 yen.

***Notes**

- (1) Changes affecting the consolidation status of significant subsidiaries during the period: None
- (2) Application of special accounting treatment for the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policy, changes in accounting estimates, and retrospective restatement:
 - 1) Changes in accordance with amendments to accounting standards: Yes
 - 2) Changes other than the above 1): None
 - 3) Changes in accounting estimates: None
 - 4) Retrospective restatement: None

Note:

Details are provided on page 17 of the attached document under “2. Quarterly Consolidated Financial Statements and Main Notes – (3) Notes on the Quarterly Consolidated Financial Statements (Changes in Accounting Policies).”

(4) Number of shares issued (common stock)

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

May 31, 2025:	871,924,572 shares
February 28, 2025:	871,924,572 shares

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

May 31, 2025:	10,913,446 shares
February 28, 2025:	10,929,896 shares

- 3) Average number of shares outstanding during the period:

Three months ended May 31, 2025:	861,019,277 shares
Three months ended May 31, 2024:	856,041,982 shares

The Company’s stock held by the Employee Stock Ownership Plan Trust (May 31, 2025: - shares, February 28, 2025: 85,700 shares) is included in the number of shares held in treasury.

***Quarterly review status**

Review by a certified public accountant or audit firm : Yes (voluntary)

***Appropriate Use of Earnings Forecasts and Other Important Information**

(Note on the forward-looking statements)

The above forecasts, which constitute forward-looking statements, are based on information available to the Company as of the date of the release of this document. Actual results may differ materially from the above forecasts due to a range of factors.

For the assumptions and forecasts herein, please refer to “1. Review of Operating Results and Financial Statements (3) Consolidated Earnings Forecast” on page 11.

Accompanying Materials

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1. Review of Operating Results and Financial Statements

The Company has adopted the “Accounting Standard for Income Taxes, Inhabitant Taxes and Enterprise Taxes” (ASBJ Statement No. 27, issued on October 28, 2022) and related standards from the beginning of the current fiscal year. Accordingly, comparisons and analyses with the previous year’s first quarter and full-year results are based on figures reflecting retrospective adjustments.

(1) Analysis of Operating Results

1) Summary of Operating Results

For the three months ended May 31, 2025, AEON recorded consolidated operating revenue of 2,566,897 million yen, up 4.8% year-on-year and marking a new record high for a first quarter. Operating profit was 56,282 million yen, up 8,487 million yen from the same period of the previous year, and ordinary profit was 48,056 million yen, up 2,659 million yen. Both operating revenue and operating profit reached record highs for the first-quarter period. On the other hand, due to the impact of tax-effect accounting related to business restructuring in the Health & Wellness Businesses, the Company posted a quarterly net loss attributable to owners of the parent of 6,570 million yen, a decrease of 9,919 million yen from the same period of the previous year.

In the first quarter of the fiscal year ending February 28, 2026, uncertainty surrounding the economic outlook persisted reflecting global political instability, the sluggish performance of the Chinese economy, and concerns over the direction of U.S. trade policy. In Japan, real wages remained negative year-on-year amid continued price increases, prompting consumers to adopt a more frugal mindset—reducing overall spending and limiting the quantity of daily necessities purchased. Meanwhile, spending on services such as dining out and travel remained strong, further highlighting the polarization in personal consumption.

Amid these conditions, AEON Group companies worked to support the well-being of local communities by serving as a safety net and essential infrastructure in daily life. As a result, all reportable segments posted higher operating revenue. Operating profit reached a record high, driven by strong performance across multiple business segments. The GMS Business significantly reduced operating losses year-on-year through improved labor productivity enabled by digital transformation of store operations. The Supermarket (SM) Business performed strongly, supported by the expansion of My Basket, a small-format urban supermarket. In addition, the Health and Wellness Business delivered solid results by responding effectively to disease trends, while the Shopping Center Development Business also contributed to the overall profit growth by drawing more customers through floor expansions, renovations, and other revitalization efforts.

Common Group Strategy

AEON has been diligently implementing the five key reforms outlined in the AEON Group Medium-Term Management Plan (FY2021 – FY2025), which include accelerating and evolving the digital shift, establishing unique value through supply chain enhancements, advancing Health & Wellness initiatives for a new era, creating the “AEON Living Zone,” and further accelerating the Asian shift. Additionally, the company has been actively pursuing environmental and green initiatives as part of its strategic goals. After the announcement on February 28, we made AEON Mall Co., Ltd. (hereinafter “AEON Mall”) and AEON DELIGHT CO., LTD. (hereinafter “AEON DELIGHT”) wholly owned subsidiaries. By making AEON Mall, an essential platform, and AEON DELIGHT, a critical infrastructure, we aim to harness the scale of the AEON Group to expand and accelerate the growth of both businesses, driving further growth for the Group as a whole.

Acceleration and evolution of the digital shift:

AEON Retail Co., Ltd. (hereinafter “AEON Retail”), which operates the GMS business, has nearly completed the rollout of self-checkout registers in its food sections. As of the end of the first quarter of the current fiscal year, 279 stores had introduced Regi Go, a contactless self-checkout system that enables customers to scan products directly from the shelf using their smartphones or dedicated devices and pay instantly. In physical stores, AEON Retail is advancing efforts to enhance operational efficiency and sophistication. These include unmanned checkout counters, “AI *Kakaku* (Price),” an AI-driven pricing tool that dynamically suggests optimal discount rates based on sales trends and time of day, and “AI Order,” which helps optimize product ordering based on demand forecasting. In May, high-performance scanning terminals were introduced in approximately 390 stores to streamline expiration date and inventory checks. In June, the company began a pilot launch of Japan’s first personalized employee app, which integrates business support and training features. The time saved through AI is being redirected toward customer-facing activities, such as personalized service and creative merchandising, contributing to enhanced service quality across stores.

On the digital front, “Green Beans,” an online supermarket that delivers from a customer fulfillment center (CFC), has received strong positive feedback from its core audience—dual-income households and families with children. Its broad product lineup, guaranteed freshness and ripeness, and one-hour delivery time slots have driven steady growth in orders and repeat usage, strengthening its market position in the Tokyo metropolitan area, where AEON Retail has relatively few physical stores. As of the end of the first quarter, membership had grown to approximately 600,000. Delivery is available

across all 23 Tokyo wards, 13 cities in northwestern Chiba Prefecture, 10 wards in Yokohama City, and all of Kawasaki City in Kanagawa Prefecture. Looking ahead, once the second CFC in Hachioji (Hachioji City, Tokyo) and the third in Miyashiro (Miyashiro Town, Saitama Prefecture) become operational, AEON Retail aims to establish a logistics network that covers the core areas of Tokyo and the three surrounding prefectures from fiscal 2027 onward.

In addition, downloads of the “iAEON” app—which integrates features such as payment, points, coupons, e-receipts, and shareholder benefits—have reached over 16 million. As AEON promotes integration of its physical and digital operations, it is also standardizing customer IDs, which were previously managed separately within each group company. This will allow AEON to centrally analyze sales and purchasing history from services such as AEON Card, iAEON, WAON POINT, and AEON Pay, enabling a transition from mass marketing to one-to-one marketing that maximizes customer experience value.

Establishment of unique value by supply chain:

TOPVALU, our private brand (PB), leverages the full scale of the AEON Group to build an integrated supply chain—from strategy and planning to store operations—ensuring the consistent delivery of high-quality products at competitive prices, while also working to improve gross profit margins.

Among our PBs, TOPVALU BESTPRICE, which emphasizes affordability, continues to meet customer needs through its “Step-by-Step Savings” initiative—offering carefully selected items at lower prices and in larger quantities. In addition to the three main brands—TOPVALU GREEN EYE (environmentally conscious), TOPVALU (value-added), and TOPVALU BESTPRICE (price-focused)—we also offer locally developed PBs created in collaboration with regional producers, as well as PBs in specialized categories such as pharmaceuticals, pet supplies, and sporting goods. Against the target of two trillion yen in private brand (PB) sales by fiscal 2025, sales reached approximately 1.6 trillion yen in fiscal 2024. In the first quarter of the current consolidated cumulative period, sales of TOPVALU increased 13.2% year-on-year, showing steady progress toward the target.

We are also working to improve profitability by internalizing product planning, manufacturing, and sales functions, while leveraging our functional companies. For national brand (NB) products, AEON GLOBAL MERCHANDISING Co., LTD. aggregates demand across the Group, enabling cost reductions through bulk purchasing. In the food segment, we opened Craft Delica Funabashi (located in Funabashi City, Chiba Prefecture) in June, 2024—our next-generation prepared food process center (PC) that delivers restaurant-quality meals with operational efficiency. To further enhance product quality and reduce the in-store labor required for food preparation, we are expanding the geographic rollout of these process centers. In logistics, the AEON Fukuoka Cross-Dock Distribution Center (Higashi Ward, Fukuoka City), which began full-scale operations in July, 2024, aims to enhance productivity and reduce operational burden through process optimization and automation.

Demonstrating the strength of our supply chain, we secured approximately 20,000 tons of government-stockpiled rice via a no-bid contract in response to ongoing shortages and began nationwide sales in early June. In high-demand urban areas, we leveraged group-wide procurement and logistics capabilities to initiate early sales. Following the positive response to “*Nisui no Takumi*,” which features both domestic and imported rice, we launched a new product called “*Karoyaka*,” made entirely from U.S.-grown Calrose rice, to offer more choices to our customers. We remain committed to ensuring stable supply and preserving Japan’s rice culture.

Advancement of Health & Wellness for a new era:

In February 2024, the Company, TSURUHA HOLDINGS INC. (“Tsuruha”), and WELCIA HOLDINGS CO., LTD. (“WELCIA”) entered into a capital and business alliance agreement. Built on a strong partnership founded on mutual respect and trust, the three companies aim to deliver better products and services to all members of the community—regardless of where they live or their generation—and to continue supporting healthy, secure lifestyles. The companies subsequently held discussions and negotiations on the specific methods and terms of a capital and business alliance, including management integration, as well as the details and potential effects of expected synergies, and reached a final agreement in April 2025. In May, Tsuruha became an equity-method affiliate of the Company. Following a share exchange with WELCIA in December, in which Tsuruha will remain as the surviving company, it is scheduled to become a consolidated subsidiary.

To address social issues such as the declining birthrate and aging population, the rise in lifestyle-related diseases, and regional disparities in medical and welfare services, the three companies will leverage their drugstore networks and combine Tsuruha and WELCIA’s strengths in healthcare with AEON’s wellness initiatives. Together, they aim to serve as a lifeline supporting the daily health of local communities. At the same time, by improving productivity and efficiency and offering more convenient services, they will help create communities where people can live with peace of mind. In addition, by drawing on Tsuruha and WELCIA’s experience in the ASEAN region and building on AEON’s business foundation, the companies will work to become a trusted drugstore chain in Asia. Their goal is to achieve net sales of 3 trillion yen, an operating profit margin of 7%, and operating profit of 210 billion yen in the fiscal year ending February 2032 with the ambition of becoming Asia’s leading global healthcare and wellness company. Separately, AEON Retail is

working to improve the quality of life for both caregivers and care recipients amid demographic shifts. This effort is centered on “MySCUE,” a platform focused on information related to senior care and nursing. In June, AEON Retail launched the “MySCUE Care Activity Project” to encourage families to start gathering information and preparing for future care needs before such needs arise. The project aims to grow a community of “Care Friends” by promoting various “Care Activities” through regional events, apps, and social media.

Creation of the “AEON Living Zone:

In our current Medium-Term Management Plan, one of our key initiatives is the development of AEON Living Zones—areas where we grow together with local communities by supporting their daily lives. This initiative goes beyond simply driving economic activity; it aims to address local challenges and promote sustainable development through collaboration with consumers, local governments, and producers. In particular, we strive to help build vibrant, sustainable communities through our shopping centers and lifestyle services, especially in rural areas facing issues such as population decline and a lack of social infrastructure. In the Tokyo metropolitan area, United Super Markets Holdings Inc. (hereinafter “U.S.M.H”)—which includes Inageya—is working to strengthen customer touchpoints through both physical stores and e-commerce. This includes the use of channels such as My Basket and the online supermarket Green Beans, in line with its “Concept of Supermarket with One Trillion Yen Sales in Kanto.”

AEON Malls, which has long operated key facilities in local communities, is now focusing on expanding small neighborhood shopping centers (NSCs) alongside its large-scale malls. This move responds to societal shifts, including declining populations and the rise in single-person households. By partnering with local governments and supporting the development of community-based organizations, we aim to transform our existing assets into shopping centers that are tailored to regional needs. These efforts help attract more visitors through improved products and services, leading to a virtuous cycle involving both increased sales and reinvestment, which ultimately strengthens our earnings base.

Furthermore, in line with the AEON Living Zone concept, we are expanding the provision of community-based services overseas. In the ASEAN region, where disparities in financial services remain a major issue due to income gaps and varying levels of creditworthiness, we are introducing next-generation, digitally driven services that are closely integrated with daily life.

In May 2024, AEON BANK (M) BERHAD (hereinafter “AEON BANK (M)”), a digital bank operating under Islamic banking principles, began operations in Malaysia. Drawing on over 30 years of experience in non-banking businesses across Asia, we aim to promote financial inclusion and deliver community-rooted value by serving local needs.

Further acceleration of the Asian shift:

Since opening our first store in Malaysia in 1984, we have steadily built a business foundation across Asia. Under our current Medium-Term Management Plan, we have identified Vietnam—now in its demographic bonus period and showing strong consumption growth—as our most important market and are accelerating store openings there. In preparation for openings in 2026, construction is underway on AEON Hai Duong Shopping Center (Hai Duong City) in northern Vietnam, AEON MALL Thanh Hoa (Thanh Hoa City) in the north-central region, and AEON MALL Ha Long (Ha Long City), located near the World Heritage site of Ha Long Bay. In southern Vietnam’s Dong Nai Province, near Ho Chi Minh City, we have signed a basic agreement with local developer Viet Phat Group to develop a new shopping mall. These developments will accelerate our dominant regional expansion in and around key cities in the south (Ho Chi Minh City, Binh Duong), the north (Hanoi, Hai Phong), and the central region (Hue, Da Nang). Beyond Vietnam, we are also advancing initiatives in other markets. In Hong Kong, our first store, JUSCO Corn Hill, has been renovated and reopened as AEON STYLE Corn Hill, and our women’s apparel brand ESSEME has made its overseas debut. In Indonesia, at AEON MALL BSD CITY—our first store in the country, marking its 10th year—we continue to evolve by refreshing stores and facilities to create new customer experiences and enrich everyday lifestyles.

Environment and Green:

As a Group, we are working toward sustainable growth with the goal of achieving net-zero CO₂ emissions across all operations by 2040. AEON MALL, which received both the Grand Prize and the Minister of the Environment Award at last year’s Decarbonized City Creation Awards, took a further step in April by installing its first renewable energy-powered EV station at AEON MALL Miyazaki (Miyazaki City, Miyazaki Prefecture), contributing to local renewable energy initiatives. In our focus area of PB products, we are working to ensure that all TOPVALU items comply with the three Rs—reduce, reuse, recycle—by 2025. We are developing a framework that empowers customers to reduce their environmental footprint through everyday purchases.

Furthermore, recognizing our responsibility for environmental and social issues across the entire supply chain—including our business partners—we held our third “Choose the Future: Building a Better Tomorrow” fair in June, designated Environment Month, to promote eco-friendly products and services throughout the value chain.

As climate change drives an increase in natural disasters, we also view the protection of community safety and security as a critical corporate responsibility. In Japan, where natural disasters are common, we have signed a disaster cooperation

agreement with the Western Army of the Ground Self-Defense Force, establishing a system to support recovery and reconstruction using our stores as operational hubs. We also conducted emergency fundraising campaigns for the earthquake in Myanmar and Ofunato wildfire (Ofunato City, Iwate Prefecture).

In recognition of these efforts, including our emergency financial support for the 2024 Noto Peninsula earthquake provided in collaboration with the AEON 1% Club Foundation, we were awarded the Medal with Blue Ribbon by the Government of Japan in recognition of these contributions in June and July.

2) Business Segment Information

Results by segment are as follows.

Effective from the first quarter of the current fiscal year, the Company has changed the classification of its reportable segments. For details, please refer to “2. Change of reportable segment” under “Notes on Segment Information” on page 21.

Unless otherwise specified, the changes in figures are comparisons between the first quarter of the previous fiscal year and the first quarter of the current fiscal year.

GMS Business

The GMS Business recorded operating revenue of 888,247 million yen, up 4.0% year-on-year. It posted an operating loss of 1,787 million yen, an improvement of 1,660 million yen compared with the same period last year.

AEON Retail has continued to reform its profit structure with a focus on maximizing gross profit, improving shopping center profitability, and expanding digital sales. Despite a rapidly changing business environment, the company achieved year-on-year growth in operating revenue and significantly reduced its operating loss in the first quarter of the current fiscal year, driven by customer acquisition, gross profit growth, and cost optimization. To maximize gross profit, AEON Retail opened 8 new stores and revitalized existing locations, including those inherited from Daiei, Inc. In the Food and H&BC categories, the company introduced the latest merchandising strategies. In the Apparel and Home Furnishing categories, the company expanded its specialty store model and promoted a shift to the SPA (Specialty Store Retailer of Private Label Apparel) model, integrating product planning, manufacturing, and retail operations to enhance control over product development and profitability. This was accompanied by product and sales floor reforms. In terms of pricing and differentiation strategies, AEON Retail responded to the polarization of consumption by implementing pricing strategies centered on fresh foods and private brand products, and by expanding its exclusive brand portfolio. Meanwhile, to improve shopping center revenue, the company expanded its “Soyora” format—designed for the convenience of young people and families with children—bringing the total number of locations to 17 as of the end of the first quarter. Existing shopping centers also saw improvements through environmental enhancements and strengthening promotional events, which contributed to increased rental income from tenants. In digital sales, particularly through its online supermarket business, AEON Retail strengthened key product offerings, enhanced logistics efficiency, and expanded pickup locations, resulting in greater customer convenience and profitability. The company is also driving new growth by scaling up new business initiatives such as “MySCUE,” a platform that offers products, services, and information for elderly caregivers, and “LULUTI,” an apparel rental business that integrates physical and digital services. In addition, it is building the foundation for a full-scale rollout of its retail media business. In terms of profit structure reform, significant gains were made in labor productivity per working hour through a two-pronged approach: digital transformation (DX) of checkout and back-office operations, and optimization of workforce allocation. These efforts, along with cost optimization at both store and head office levels, contributed to increased profitability.

AEON Hokkaido Corporation (hereinafter “AEON Hokkaido”) is implementing key initiatives to realize its management vision of becoming “a company that supports health and wellness in Hokkaido,” including enhancing the added value of products and stores, promoting customer engagement, collaborating with local communities, reforming the profit structure, strengthening proprietary products, and transitioning to and establishing new operational models. As a result, sales across all business formats (GMS, SM, and DS) exceeded the previous year’s figures, with DS (Discount Store) showing particularly strong growth of 15.2% year-on-year. Food sales also saw robust growth, increasing by 12.1%. Among the stores acquired from Seiyu in October 2024, 2 stores that underwent revitalization initiatives recorded sales that exceeded their respective targets. At stores with convenient transportation access, AEON Hokkaido is working to attract more customers by hosting local collaboration events and health-focused classes. In terms of product strategy, AEON Hokkaido is highlighting regional uniqueness by offering ready-to-eat dishes made with locally sourced ingredients and co-developing products with local beverage manufacturers. Within the TOPVALU brand, the BESTPRICE line saw strong results, with existing store sales increasing by 15.5% compared to the same period last year. In addition, the expanded range of processed meat products at AEON Ishikari Process Center (Ishikari City, Hokkaido), which caters to cost-conscious customers, has also performed well across stores. Sales promotion initiatives—such as the group-wide “Super! Spring Value Festival” and the regionally focused “AEON Hokkaido Day,” featuring seasonal ingredients—have been successful. In anticipation of a heatwave in Hokkaido, the company began implementing countermeasures in April and is preparing for the summer vacation and Obon holiday periods. To promote customer loyalty, the company enhanced coupon distribution via the iAEON app, resulting in a 55.5% year-on-year increase in membership. In the online supermarket business, sales increased by 41.5% year-on-year, driven by the expansion of distribution centers and improvements in product picking methods. In terms of productivity improvement, the introduction of electronic shelf labels, self-checkout registers, and touch-panel-based business support tools called “CI Boards”—which allow staff to instantly check store

performance and internal communications—reduced total labor hours at existing stores by 2.6% compared to the same period last year. As part of its sustainable management efforts, the company expanded food drive participation to 48 stores, resulting in a 31.6% year-on-year increase in the amount of food collected. In addition, it held a fair featuring environmentally friendly products, further promoting environmental contribution through everyday shopping.

AEON KYUSHU CO., LTD. is striving to enhance corporate value in response to changes in the business environment, guided by its newly formulated Medium-Term Management Plan (fiscal 2024–2026). The plan outlines five key initiatives: “Shifting to Growth Areas,” “Product Reform,” “Improving the Appeal of Existing Assets,” “Improving Productivity and Management Efficiency,” and “Promoting Sustainable Management.” During the first quarter of the current fiscal year, amid a challenging business environment marked by rising prices and intensifying competition, the company advanced its shift to growth areas by opening Welcia Plus stores - combining drugstore and food offerings -, and MaxValu Express, a compact supermarket format for urban areas. Additionally, AEON KYUSHU opened its first “b!olala” store in a commercial facility in Fukuoka City, a new format centered on “organic,” “natural,” “health & wellness,” and “sustainability.” As a result of its efforts to establish operations and train specialized staff, Welcia Plus stores that have been in operation for over one year achieved a year-on-year sales increase of 21.1%. In the e-commerce business, net sales increased by 17.4% year-on-year, driven by the expansion of pre-order sales and gift campaigns. The company also enhanced the convenience of online supermarkets and immediate delivery services. In terms of product reform, AEON KYUSHU promoted value for money through the rollout of the “Shiawase (Happiness) Plus” lifestyle support program and TOPVALU BESTPRICE line. Innovative initiatives such as “Frozen Day on the 20th of every month” and “Kyushu Local Company Collaboration T-shirts” were also well received. To enhance the appeal of existing assets, the company made large-scale revitalization investments in 3 GMS stores and advanced scrap-and-build initiatives through business format changes in response to evolving consumer needs. With regard to improving productivity and management efficiency, the introduction of self-checkout registers and electronic shelf labels, and AI-driven discount and shift management led to a significant improvement in person-hour productivity, which rose by 7.6% year-on-year. In promoting sustainability management, AEON KYUSHU continued multifaceted initiatives including the introduction of environmentally friendly products, the expansion of the “Food Drive” program (280 stores and over 175 tons collected as of the end of the first quarter), promotion of electronic receipts, and implementation of circular economy education through agricultural experiences - contributing to the realization of a sustainable society and coexistence with local communities.

CAN DO CO., LTD. is working in collaboration within the AEON Group to attract new customers and reform store operations under a company-wide policy focused on broadening customer touchpoints, differentiating products and brands, and enhancing corporate value. To broaden its customer touchpoints, the company continued refining its lifestyle-oriented store format (New Can★Do) and promoted new store openings, with a strategic focus on AEON Group locations. As a result of opening 38 stores and closing 21, the total number of stores reached 1,357 as of the end of the first quarter. In terms of product and brand differentiation, the company is expanding its lineup of high value-added products in other price tiers, while maintaining its core 100-yen pricing. As part of its digital marketing strategy, the company enhanced its presence on TikTok to improve brand image. On the business front, net sales grew by 4.9% year-on-year, driven by new store openings, while same-store sales at directly operated stores rose by 0.8%. Efforts to improve gross profit and margin were successful, with the gross profit margin improving by 1.1 points year-on-year due to a lower cost-of-sales ratio. While selling, general and administrative (SG&A) expenses rose by 3.7%, due to factors such as store closures and increased promotional costs, the SG&A-to-sales ratio improved by 0.4 points through a review of store opening costs and more efficient labor management.

Supermarket Business / Discount Store Business

The Supermarket and Discount Store Business generated operating revenue of 760,466 million yen, up 4.1% year-on-year. It achieved operating profit of 6,985 million yen, an increase of 3,456 million yen compared to the same period last year.

Under its Fourth Medium-Term Business Plan, United Super Markets Holdings Inc. (U.S.M.H.) is pursuing sustainable growth and enhanced profitability through two key initiatives: customer-centric management and structural reform through group-wide optimization. Specifically, the company aims to improve the procurement capabilities, productivity, and operational quality of the entire group by establishing a joint purchasing system that leverages its scale in processed and daily-delivery food items, while also consolidating and standardizing back-office functions such as human resources, general affairs, and IT. In addition, U.S.M.H. is promoting cross-functional collaboration across information systems, logistics, and store development.

Each group company is advancing initiatives that capitalize on its individual strengths. The Maruetsu, Inc. opened 3 new stores and revitalized 15 existing ones, while accelerating the distribution of products manufactured at the Maruetsu Soka Delica Center in Saitama Prefecture to Group stores. To further enhance productivity, the company has introduced electronic shelf labels and self-checkout registers, and is working to improve the workplace environment by introducing name tags designed with consideration for employee privacy at all stores. KASUMI CO., LTD. is focused on enhancing the price appeal of national brand products and expanding its TOPVALU lineup. It is also improving the efficiency of in-store food preparation by leveraging the capabilities of ROSE CORPORATION, KASUMI’s delicatessen manufacturing subsidiary. When opening a store in Ami Town, Ibaraki Prefecture, KASUMI also constructed an adjacent food manufacturing facility. Furthermore, its “5 A DAY Food Education” program, which has been ongoing since 2003, has

surpassed 200,000 participants, making it one of the largest initiatives of its kind in Japan. MAXVALU KANTO CO., LTD. is deepening its understanding of customer needs by expanding its selection of farm-direct and locally sourced products in the fruit and vegetable section, while also strengthening face-to-face sales in the fresh fish department. Inageya Co., Ltd. is focusing on launching new products in its delicatessen section. It also expanded the number of locations offering fresh fish and sushi, and successfully increased customer visit frequency by adding value-added products and broadening product categories through demand forecast-based ordering. These efforts contributed to increased net income.

U.S.M.H. is also advancing a wide range of environmental and social initiatives across the entire Group. To help realize a decarbonized and recycling-oriented society, the company is introducing renewable energy at its stores, transitioning to new refrigerants, upgrading to energy-efficient equipment, reducing food waste, and strengthening resource recovery efforts. At the same time, it is actively promoting engagement with local communities through initiatives such as providing shopping support via mobile supermarkets, partnering with food banks and children's cafeterias, and signing comprehensive agreements with local governments to support disaster relief fundraising.

FUJI CO.,LTD. (hereinafter "FUJI") has entered the second year since its business integration and, under the slogan "Creating New Connections in Our Communities," is working as a leading super-regional retailer in the Chugoku, Shikoku, and Hyogo areas to achieve its goal of 1 trillion yen in operating revenue by fiscal 2030. The company is united in its efforts to implement its Medium-Term Management Plan for fiscal 2024–2026, which is built around three core strategies—Establishing a Corporate Culture, Transforming Existing Businesses, and Integrating Business Infrastructure and Creating Synergies—along with a cross-cutting focus on Promoting ESG Management. To establish a strong corporate culture, FUJI continues to conduct training programs to instill its corporate philosophy and vision, while encouraging learning and growth through the sharing of best practices across stores. In reforming existing businesses, the company is introducing advanced merchandising strategies focused on ready-to-eat and convenience-oriented products, and is renovating stores with updated equipment. It has also implemented scrap-and-build initiatives and introduced electronic shelf labels at 7 additional stores (97 in total) and self-checkout registers at 3 more stores (380 in total). In product development, FUJI is expanding its lineup of original and private-label products, including those that emphasize themes such as health, beauty, convenience, indulgence, and sustainability, while also strengthening its offerings of low-price and TOPVALU products. In the discount store (DS) format, the company is enhancing price competitiveness and differentiation by expanding its exclusive private-brand product lineup. The company is also deepening its community ties through mobile store operations, which now cover 88 stores, 140 vehicles, and 760 routes. In terms of infrastructure integration and synergy creation, FUJI is restructuring logistics hubs and consolidating procurement functions to build a more efficient and stable supply system. On the ESG front, FUJI is actively engaged in community-based social contribution activities such as donations, food education programs, food drives, and clothing recycling. It is also working to reduce environmental impact by introducing LED lighting and solar power systems at its stores.

Maxvalu Tokai Co., Ltd. has worked on the three fundamental strategies set out in its Medium-Term Management Plan (fiscal 2024–2026): "Business Structure Transformation," "Creating Added Value Through Technology Integration," and "Promoting Sustainability Management Practices" to embody its brand message of "Making dreams a reality and bringing people together through delicious foods." In terms of business restructuring, the company focused on promoting value-for-money products in response to increasing cost-consciousness, including initiatives such as "Affordable and Supportive for Household Budgets" and "Today's Super Deals," as well as efforts to expand sales of TOPVALU products and to broaden the range of small-sized offerings. The appeal of freshness and freshly prepared items was also strengthened, with a broader selection of deli and frozen foods. To contribute to regional revitalization, the company expanded its lineup of products made with locally sourced ingredients ("*jimono*") and deepened community engagement through the "Chanto Gohan" (Square Meals) initiative, which supports more fulfilling and nutritious diets. 4 existing stores were renovated, including upgrades to frozen food sections, to further improve the shopping environment. Mobile supermarket services were expanded with the addition of 5 new vehicles, bringing the total fleet to 39. In addition, new customer touchpoints were created through enhanced delivery services—including online supermarkets, online shops—and the rollout of the unmanned store format "Max Mart." On the technology front, electronic shelf labels were newly introduced in 55 stores, for a total of 240 stores, to improve productivity and service quality. The company also expanded the application of its automatic ordering support system utilizing weather data to the livestock department, thereby improving ordering accuracy and reducing staff workload. In environmental and social contribution efforts, donations were made to local governments, disaster relief funds were provided, and agreements were signed for shopping assistance and community safety patrol activities. The company also promoted paperless receipts to reduce environmental impact while enhancing customer convenience. As a result of these initiatives, total store sales increased by 4.0%, and same-store sales rose by 2.7% compared to the same period last year.

MINISTOP CO., LTD. is executing structural reforms and growth initiatives centered on delivering "delicious" and "convenient" products. In Japan, the company enhanced the profitability of existing stores by strengthening both product appeal and pricing strategies, while improving its gross profit margin through the expansion of high value-added products. Store-level profitability was further reinforced through targeted franchisee support, talent development, and merchandising process optimization, alongside the rollout of a new combo store format (enhancing both fast food and convenience store offerings). In emerging business domains, growth was fueled by the scaling of MINISTOP POCKET—an unmanned retail

concept tailored to workplace environments—and the continued expansion of its e-commerce operations. Internationally, with a particular focus on Vietnam, the company is working to optimize product assortment and value proposition to improve its revenue structure. As a result of these efforts, the company returned to operating profitability in the first quarter—marking its first positive result in a decade.

The Discount Store Business recorded operating revenue of 107,999 million yen, a 7.5% increase compared to the same period last year. Operating profit amounted to 1,816 million yen, a decrease of 98 million yen year-on-year. Amid growing consumer demand for savings, the companies focused on supporting and enriching daily life through affordability. This included strengthening price competitiveness, particularly in fresh food categories, and promoting the development and expansion of private-brand products unique to the discount store format. As a result, both same-store sales and customer footfall exceeded levels from the same period last year, which underpinned revenue growth. However, operating profit experienced a modest decline due to higher selling, general, and administrative expenses, including labor costs, new store openings, and investments in digital transformation of store operations.

Health and Wellness Business

The Health & Wellness Business delivered operating revenue of 335,977 million yen, a 5.7% increase year-on-year. It recorded operating profit of 8,448 million yen, up 3,105 million yen from the previous year.

WELCIA is working to enhance its product offerings, dispensing services, and overall service capabilities with the goal of becoming the community's No. 1 health station by 2030. In the retail division, responding to growing health awareness, WELCIA discontinued the sale of tobacco products. At the same time, it focused on expanding sales of seasonal and food items, promoting its original private-label brands—"Karada (Body) Welcia" and "Kurashi (Living) Welcia"—which emphasize functionality, quality, and eco-friendliness, and increasing the use of the WAON POINT service. The expansion of stores offering dispensing pharmacy services led to an increase in the number of prescriptions handled, reaching 2,272 locations by the end of the first quarter. Retail and dispensing pharmacy sales at existing stores remained strong compared to the same period of the previous year. The number of Welcia members also reached 14 million. In terms of services, WELCIA launched the "Care Capsule" program, which provides comprehensive health support services such as counseling by registered dietitians and basic health checks. It also expanded its role as a regional health and lifestyle infrastructure through initiatives such as "Wel Cafe" community spaces, the "Uetan-go" mobile sales vehicle, and a nursing care taxi service. During the first quarter, 19 new stores were opened and 27 were closed, bringing the total number of stores in the Group to 3,005 as of the end of the reporting period.

Financial Services Business

The Financial Services Business reported operating revenue of 139,376 million yen, up 9.6% year-on-year. It posted operating profit of 13,407 million yen, a decrease of 1,508 million yen compared to the same period last year.

Guided by our Purpose—"Bringing finance closer. Engaging with each individual and enriching daily life with safety and joy"—AEON Financial Service is committed to delivering financial solutions that respond to the diverse life stages and evolving needs of customers across Asia. Leveraging our unique strength as a retail-originated financial group, we maintain a consumer-centric perspective in all markets we serve.

In Japan, we advanced cross-functional initiatives that integrate payment, banking, and insurance services, while enhancing the UI/UX of the "AEON Wallet" and refining personalized recommendation capabilities. These efforts contributed to increased customer convenience and drove growth in receivables: shopping revolving and installment balances rose to 371,085 million yen (up 9,518 million yen year-to-date), and cashing receivables reached 439,371 million yen (up 11,468 million yen). At AEON BANK, deposit balances remained robust at 5,234,187 million yen (up 32,554 million yen), supported by strategic interest rate adjustments and targeted mortgage loan promotions aligned with market conditions. In compliance and risk management, the company continues to strengthen its anti-money laundering and counter-terrorist financing frameworks, in line with the business improvement plan submitted to the Financial Services Agency, reinforcing trust and operational integrity. In the solutions segment, transaction volumes exceeded prior-year levels, driven by the integration of the WAON Value Issuance business, expansion of the AEON Pay membership base and merchant network, and promotional campaigns across AEON Group commercial facilities. As part of our portfolio optimization strategy, the company completed the sale of 85.1% of issued shares in AEON Allianz Life Insurance Co., Ltd. to Meiji Yasuda Life Insurance Company on July 1, resulting in its deconsolidation.

Internationally, in Hong Kong, card shopping and cashing volumes surpassed prior-year levels in local currency, supported by a rebound in inbound tourism and enhanced mobile payment initiatives. In Thailand, the company optimized promotional strategies and implemented rigorous credit risk controls, successfully curbing bad debt-related expenses and sustaining profitability. In Malaysia, loan and installment transactions continued to grow steadily, and AEON BANK (M) BERHAD launched personal loan products, marking a significant step in expanding our digital banking offerings.

Shopping Center Development Business

The Shopping Center Development Business recorded operating revenue of 128,337 million yen, a 5.3% increase compared to the prior-year figure. It achieved operating profit of 17,179 million yen, up 1,450 million yen year-on-year.

AEON Mall achieved record-high operating revenue, operating profit, and ordinary profit in the first quarter, driven by strengthened profitability of existing malls both domestically and internationally. Based on its 2030 vision “AEON Mall is a Regional Co-Founder,” the company aims to create, expand, and deepen “connections”, and co-create initiatives that contribute to a sustainable future for local communities.

In Japan, AEON Mall recorded year-on-year growth in same-store sales, supported by the renovation of 15 malls, including the expansion of AEON Mall Kashihara (Kashihara City, Nara Prefecture) and the addition of child-care support facilities at AEON Mall Natori (Natori City, Miyagi Prefecture). During the Golden Week holiday, the company held numerous family-oriented events designed to create enjoyable experiences and lasting memories. These included programs where children could shop on their own for the first time, a kabuki theater experience for kids, and workshops for making personalized photo keychains—all aimed at attracting more visitors. AEON Mall also focused on capturing demand from inbound travelers, particularly at malls near tourist spots and airports. As a result, sales at specialty tax-free shops were approximately 1.5 times higher than in the same period last year. In addition to prioritizing the revitalization of existing malls, the company aims to achieve sustainable growth and improved profitability by generating stable cash flow through the opening of new malls tailored to local needs and the closure of underperforming locations.

Overseas, AEON Mall achieved revenue and profit growth in China, driven by increased rental income from rising tenant sales and contributions from new malls opened in the previous fiscal year. Sales of digital appliances and other goods were particularly strong, supported by government initiatives promoting the replacement of durable consumer products. In Vietnam, existing malls performed steadily, supported by effective promotional campaigns leading up to the Lunar New Year. A new mall opened in the central region—the first in that area—during the previous fiscal year also contributed to higher revenue and profit. In line with its growth strategy, AEON Mall is strengthening its pipeline in Vietnam and inland China which are key strategic markets. At existing properties, the company aims to expand revenue by renovating malls through specialty store replacements and implementing measures to reduce vacancies and improve space efficiency.

Services and Specialty Store Business

The Services and Specialty Store Business generated operating revenue of 186,683 million yen, up 2.8% year-on-year. It posted operating profit of 6,962 million yen, an increase of 849 million yen compared to the same period last year.

AEON DELIGHT CO., LTD. recorded increases in revenue, operating profit, and ordinary profit, driven by factors such as the acquisition of new contracts—including those related to the Osaka-Kansai Expo—an expanded market share both within and outside the AEON Group, and profitability improvement measures such as price revisions in response to rising costs and business digitization. As a result, both operating profit and ordinary profit achieved double-digit growth. By segment, six out of seven segments (excluding the vending machine business) posted increases in both revenue and profit, with five achieving double-digit profit growth. In the facilities management business, although labor cost increases outpaced the effect of price revisions, the negative impact was offset by new contracts for ongoing services and additional services provided beyond the scope of existing contracts at managed properties, resulting in higher revenue and profit. In the cleaning services business, profitability improved through price revisions, new contracts for ongoing services, and enhanced operational efficiency driven by the adoption of cleaning robots and IoT solutions, leading to both revenue and profit growth. In the construction work business, the company expanded its portfolio of energy-saving projects and various renovation works in response to rising energy costs for customers. Profitability also improved through the optimization of project specifications and schedules, resulting in increased revenue and profit.

AEON Fantasy Co., Ltd. is advancing its Medium-Term Management Plan (fiscal 2024–2026) with the aim of realizing its corporate purpose: “Inspiring enthusiasm in every child so that there is a smile on every face.” In domestic operations, same-store sales increased by 7.4% year-on-year, driven by strong performance in the core Prizes department, which rose by 8.3%. Notably, the Kids Prize department—an area of continued strategic focus—achieved a significant 21.5% increase. The Medals department, known for its high gross profit margin, performed steadily with a 4.9% year-on-year increase, supported by the introduction of new machines and the implementation of events and promotional campaigns. Regarding new store openings, the company launched two large-scale playground facilities under the “*CHIKYUU NO NIWA* (‘Garden on Earth’)” brand, one standalone small-format store under the “Skids Garden” brand, and a total of 28 small specialty stores under the “TOYS SPOT PALO,” “Capsule *Yokocho* (‘Capsule Toy-themed alley’),” and “PRIZE SPOT PALO” brands. As a result, the total number of domestic stores reached 767. Driven by strong performance at existing stores and an aggressive expansion strategy, both revenue and operating profit in the domestic business reached record highs, contributing significantly to consolidated results. In the ASEAN business, in addition to its core “Kidzooona” brand, the company is expanding new formats targeting a broader demographic, such as “KID’S BOX” and “KID’S BOX JUMBO,” and has increased the number of “Pokémon MEZASTAR Forest” locations in Indonesia to 25 stores. As of the end of May 2025, the number of stores in the ASEAN region reached 370, with sales increasing by 13.0% year-on-year. This marked the fourth consecutive quarter of record-high first-quarter sales. In the China business, cost reduction measures and the closure of unprofitable stores under the profit improvement plan have contributed to an overall improvement in profitability.

COX CO., LTD. (hereinafter “COX”) is responding flexibly to a challenging business environment by focusing on three key measures: expanding in-store sales, growing e-commerce sales, and maintaining and improving gross profit margins. To boost in-store performance, the company prioritized assigning highly skilled sales staff to key locations; however, due to staffing shortages, the impact was limited at some stores. In terms of sales promotion, COX carried out several magazine

tie-up campaigns featuring well-known Japanese TV personalities for both women's and men's apparel, aiming to strengthen brand awareness and drive sales. In its e-commerce operations, the company actively promoted its core and DtoC (Direct to Consumer) brands using influencer marketing. As a result of efforts to attract new customers, net sales increased by 4.0% year-on-year. On the procurement side, COX reduced costs by expanding production in ASEAN countries and streamlining its supplier base, while carefully managing foreign exchange risks. These initiatives led to a 0.6-point improvement in gross profit margin compared to the same period last year. The total number of stores stood at 177, with five new openings and three closures during the period. Selling, general and administrative (SG&A) expenses decreased by 3.4% year-on-year, reflecting efforts to reduce fixed costs.

International Business

(AEON's consolidated financial statements for the International Business reflect results mainly for January through March) The International Business delivered operating revenue of 151,648 million yen, a 6.6% increase year-on-year. It recorded operating profit of 4,237 million yen, up 283 million yen from the previous year.

The Malaysian economy maintained year-on-year growth of 4.4%, led by the services sector, including retail. AEON Malaysia delivered strong performance during the fiscal quarter, with operating revenue increasing by 7.0%, operating profit by 14.0%, and net profit by 18.0% compared to the same period last year. This growth was supported by the start of the major holiday season, Hari Raya, enhanced promotional activities, store and mall revitalization efforts, optimization of tenant mix to increase customer traffic, expansion of private-label product sales, and strict cost control. The online supermarket "myAEON2go," which is working to expand both its service area and product lineup, also performed well, with sales rising by 13.0% year-on-year.

The Vietnamese economy grew 6.9% year-on-year—outpacing Malaysia and marking the highest growth rate in the past five years. AEON Vietnam recorded significant sales growth, with revenue increasing by 26.8% compared to the same period last year, driven by contributions from new stores and solid performance at existing locations. Online sales also continued their strong upward trajectory, rising by 42.0% year-on-year and accounting for 4.7% of total sales.

In China, real GDP grew by 5.4% year-on-year in the first quarter of fiscal 2025, exceeding the government's target of approximately 5.0%. However, total retail sales of consumer goods rose by only 4.6%, and the consumer confidence index remained low at 87.5. Sales of consumer electronics, furniture, communication equipment, and office supplies—all targeted by government consumption support measures—increased, while automobile sales continued to underperform amid intensified price competition. Employment uncertainty among younger generations persists, income conditions have improved only modestly, and a trend toward frugal consumption is expected to continue. In Hong Kong, population growth has stagnated, and disposable income growth has been sluggish due to demographic aging and an increase in single-person households. Inbound tourism from mainland China has also declined, leading to a 6.5% year-on-year contraction in the retail market. On the other hand, in high-growth inland regions, AEON (HUBEI) CO., LTD. successfully delivered on its business plan and achieved operating profitability, maintaining solid performance. TOPVALU is reinforcing its sales expansion initiatives by launching new mass-market products, renewing existing offerings, broadening its lineup of health-oriented and 3R (Reduce, Reuse, Recycle) products, and hosting in-house brand fairs. In China, the company has established an integrated operational framework covering local procurement, logistics, and store operations. This structure enables industry-leading quality control in areas such as freshness and hygiene, thereby strengthening customer trust. Among younger consumers, a shift back toward physical stores from online shopping has begun to emerge, prompting the company to strengthen face-to-face customer interaction and enhance experiential value in stores.

(2) Consolidated Financial Condition

Consolidated Assets, Liabilities, and Net Assets

Consolidated assets as of May 31, 2025 were 14,143,864 million yen, an increase of 310,545 million yen, or 2.2%, from the end of the previous fiscal year (February 28, 2025). The increase is mainly attributable to increases of 130,360 million yen in investment securities, 104,717 million yen in notes and accounts receivable – trade, 65,647 million yen in loans and bills discounted for banking business, despite decrease of 38,020 million yen in cash and deposits and other factors.

Consolidated liabilities as of May 31, 2025 were 12,151,556 million yen, an increase of 453,508 million yen, or 3.9%, from February 28, 2025. The increase is mainly attributable to increases of 278,636 million yen in notes and accounts payable - trade, 65,862 million yen in short-term loans payable, 29,646 million yen in deposits for banking business, despite decrease of 27,389 million yen in income taxes payable and other factors.

Consolidated net assets as of May 31, 2025 were 1,992,308 million yen, an decrease of 142,963 million yen, or 6.7%, from February 28, 2025.

(3) Consolidated Earnings Forecast

The consolidated earnings forecast for the year ending February 28, 2026 is unchanged from the forecast announced on April 11, 2025.

*Since AEON CO., LTD. is a pure holding company, non-consolidated forecasts are not disclosed.

2. Quarterly Consolidated Financial Statements and Main Notes

(1) Quarterly Consolidated Balance Sheet

	(Millions of yen)	
	As of February 28, 2025 Amount	As of May 31, 2025 Amount
Assets		
Current assets		
Cash and deposits	1,258,383	1,220,362
Call loans	1,514	1,547
Notes and accounts receivable - trade	1,856,384	1,961,101
Securities* ¹	874,398	1,004,758
Inventories	649,955	667,340
Operating loan	595,895	608,882
Loans and bills discounted for banking business	3,022,476	3,088,124
Other	569,237	549,801
Allowance for doubtful accounts	(134,719)	(127,205)
Current assets	8,693,526	8,974,713
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,760,663	1,766,793
Tools, furniture and fixtures, net	278,436	290,682
Land	1,090,370	1,105,632
Construction in progress	72,807	70,005
Other, net	397,326	409,317
Property, plant and equipment	3,599,604	3,642,431
Intangible assets		
Goodwill	154,413	147,921
Software	193,303	193,082
Other	68,431	66,617
Intangible assets	416,147	407,621
Investments and other assets		
Investment securities	326,209	321,390
Net defined benefit asset	70,242	72,124
Deferred tax assets	164,381	173,680
Guarantee deposits	368,322	366,552
Other	199,707	189,749
Allowance for doubtful accounts	(4,822)	(4,400)
Investments and other assets	1,124,039	1,119,096
Non-current assets	5,139,792	5,169,150
Assets	13,833,319	14,143,864

	(Millions of yen)	
	As of February 28, 2025	As of May 31, 2025
	Amount	Amount
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,082,565	1,361,201
Deposits for banking business	5,196,949	5,226,595
Short-term loans payable	427,829	493,692
Current portion of long-term loans payable	395,332	375,898
Current portion of bonds	189,310	182,671
Commercial papers	9,344	8,444
Income taxes payable	62,790	35,401
Provision for bonuses	41,941	57,127
Provision for loss on store closing	12,432	16,684
Provision for point card certificates	8,362	8,306
Other provision	1,318	520
Notes payable - facilities	57,227	71,037
Other	958,257	974,660
Current liabilities	8,443,663	8,812,242
Non-current liabilities		
Bonds payable	937,626	944,186
Long-term loans payable	1,479,593	1,527,278
Deferred tax liabilities	9,541	26,000
Provision for loss on store closing	10,918	7,705
Provision for loss on interest repayment	1,172	1,014
Other provision	419	290
Net defined benefit liability	17,279	17,020
Asset retirement obligations	130,080	131,656
Long-term guarantee deposited	269,985	269,464
Reserve for insurance policy liabilities	42,753	40,542
Other	355,014	374,153
Non-current liabilities	3,254,384	3,339,313
Liabilities	11,698,047	12,151,556

	(Millions of yen)	
	As of February 28, 2025	As of May 31, 2025
	Amount	Amount
Net assets		
Shareholders' equity		
Capital stock	220,007	220,007
Capital surplus	298,350	263,204
Retained earnings	436,709	412,916
Treasury shares	(13,288)	(13,158)
Shareholders' equity	941,779	882,971
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,199	(3,723)
Deferred gains or losses on hedges	788	3,490
Foreign currency translation adjustment	98,415	80,622
Remeasurements of defined benefit plans	15,091	15,100
Total accumulated other comprehensive income	121,495	95,490
Subscription rights to shares	1,321	1,230
Non-controlling interests	1,070,674	1,012,616
Net assets	2,135,271	1,992,308
Liabilities and net assets	13,833,319	14,143,864

(2) Quarterly Consolidated Statement of Income and Consolidated Statement of Comprehensive Income

Quarterly Consolidated Statement of Income

	(Millions of yen)	
	Three Months ended May 31, 2024	Three Months ended May 31, 2025
	Amount	Amount
Operating revenue		
Net sales	2,130,608	2,231,576
Operating revenue from financial services business	112,145	119,415
Other operating revenue	206,463	215,906
Operating revenue	2,449,216	2,566,897
Operating costs		
Cost of sales	1,533,728	1,605,714
Operating cost from financial services business	14,811	26,097
Operating cost	1,548,540	1,631,811
Gross profit	596,879	625,861
Operating gross profit	900,675	935,085
Selling, general and administrative expenses	852,879	878,803
Operating profit	47,795	56,282
Non-operating income		
Interest income	1,382	1,189
Dividend income	349	1,469
Gain on currency exchange	2,712	—
Share of profit of entities accounted for using equity method	1,497	1,554
Other	4,075	5,627
Non-operating income	10,016	9,840
Non-operating expenses		
Interest expenses	10,123	11,845
Loss on currency exchange	—	2,301
Other	2,292	3,919
Non-operating expenses	12,415	18,066
Ordinary profit	45,397	48,056
Extraordinary income		
Gain on sales of non-current assets	544	38
Gain on sales of investment securities	89	727
Gain on sales of shares of associates	15	3,298
Other	317	688
Extraordinary income	968	4,753
Extraordinary losses		
Impairment loss	979	8,131
Loss on retirement of non-current assets	539	1,307
Provision for loss on store closing	1,762	3,649
Other	2,987	488
Extraordinary losses	6,269	13,577
Profit before income taxes	40,096	39,232
Income taxes		
Income taxes-current	21,438	29,609
Income tax adjustments	2,099	3,548
Income taxes	23,538	33,157
Profit	16,557	6,075
Profit attributable to non-controlling interests	13,208	12,645
Profit (loss) attributable to owners of the parent	3,348	(6,570)

Quarterly Consolidated Statement of Comprehensive Income

	(Millions of yen)	
	Three Months ended May 31, 2024	Three Months ended May 31, 2025
	Amount	Amount
Profit	16,557	6,075
Other comprehensive income		
· Valuation difference on available-for-sale securities	(36,931)	(20,079)
· Deferred gains or losses on hedges	1,428	5,459
· Foreign currency translation adjustment	34,695	(33,573)
· Remeasurements of defined benefit plans, net of tax	722	(84)
· Share of other comprehensive income of entities accounted for using equity method	(72)	(63)
Other comprehensive income	(157)	(48,341)
Comprehensive income	16,399	(42,266)
Comprehensive income attributable to:		
Comprehensive income attributable to owners of the parent	(10,640)	(32,576)
Comprehensive income attributable to non- controlling interests	27,040	(9,689)

(3) Notes on the Quarterly Consolidated Financial Statements

(Key Principles Underlying the Preparation of Quarterly Consolidated Financial Statements))

The quarterly consolidated financial statements have been prepared in accordance with Article 4, Paragraph 1 of the “Regulations for Quarterly Financial Statements” issued by the Tokyo Stock Exchange, as well as the accounting standards for quarterly financial statements generally accepted in Japan.

(Notes on the Going-concern Assumption)

Not applicable

(Changes in the Scope of Consolidation or Application of the Equity Method)

1) Significant changes in the scope of consolidation

There were no significant changes in the scope of consolidation during the first quarter of the consolidated cumulative period.

2) Significant changes in the scope of application of the equity method

The following major company was included in the scope of application of the equity method during the first quarter of the consolidated cumulative period: Equity acquisition: TSURUHA HOLDINGS INC.

(Notes on Significant Changes in the Amount of Shareholders’ Equity)

First quarter of the previous consolidated cumulative period (from March 1, 2024 to May 31, 2024)

There were no applicable matters.

First quarter of the current consolidated cumulative period (from March 1, 2025 to May 31, 2025)

During the first quarter of the current consolidated cumulative period, additional shares of AEON DELIGHT CO.,

LTD., a consolidated subsidiary of the Company, were acquired as a result of a tender offer for its shares. As a result, capital surplus decreased by 35,146 million yen, bringing the balance of capital surplus to 263,204 million yen as of the end of the first quarter of the current consolidated fiscal period.

(Changes in Accounting Policies)

(Application of “Accounting Standard for Income Taxes,” etc.)

The “Accounting Standard for Income Taxes” (ASBJ Statement No. 27, issued on October 28, 2022; hereinafter the “2022 Revised Accounting Standard”), and related standards have been adopted from the beginning of the first quarter of the current consolidated fiscal period.

With respect to the revision concerning the classification of income taxes (taxation on other comprehensive income), the Company has adopted the transitional treatment prescribed in the proviso to Paragraph 20-3 of the 2022 Revised Accounting Standard and the proviso to Paragraph 65-2(2) of the “Implementation Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, issued on October 28, 2022; hereinafter the “2022 Revised Implementation Guidance”). This change in accounting policy had no impact on the quarterly consolidated financial statements.

In addition, the Company has applied the 2022 Revised Implementation Guidance from the beginning of the first quarter of the current consolidated fiscal period with respect to the revision concerning the treatment in the consolidated financial statements of gains or losses arising from the sale of shares of subsidiaries among consolidated group companies, when such gains or losses are deferred for tax purposes. This change in accounting policy has been applied retrospectively. Accordingly, the quarterly consolidated financial statements and consolidated financial statements for the previous fiscal year and the previous first quarter have been restated. As a result, compared to before the retrospective application, deferred tax liabilities in the consolidated balance sheet for the previous fiscal year decreased by 14,045 million yen. The cumulative effect was reflected in the beginning balance of net assets at the beginning of the fiscal year, resulting in an increase of 15,659 million yen in retained earnings. In addition, in the quarterly consolidated statement of income for the first quarter of the previous consolidated cumulative period, the adjustment for income taxes increased by 1,776 million yen, and quarterly net income attributable to owners of the parent decreased by 1,776 million yen.

Furthermore, basic earnings per share and diluted earnings per share for the first quarter of the previous fiscal year decreased by 2.08 yen compared to before the retrospective application.

(Additional Information)

Inappropriate Accounting Practices at the Consolidated Subsidiary, Post and Telecommunication Finance Company Limited

The Company has recorded a one-time adjustment during the first quarter of the current consolidated fiscal period to reflect inappropriate accounting practices identified at its consolidated subsidiary, Post and Telecommunication Finance Company Limited, which occurred prior to the acquisition of equity interest. As a result, profit before income taxes for the first quarter of the current consolidated fiscal period decreased by 3,883 million yen.

(Notes on the Quarterly Consolidated Balance Sheet)

1 Breakdown of Securities

	As of February 28, 2025		As of May 31, 2025	
Securities in Banking Operations	768,296	Million yen	886,130	Million yen
Purchased Monetary Claims in Banking Operations	79,348		92,341	
Securities in Insurance Operations	15,049		14,184	
Others	11,703		12,101	
Total	874,398		1,004,758	

2 Contingent Liabilities

(1) Debt Guarantees

	As of February 28, 2025		As of May 31, 2025	
Credit guarantee services for general customers operated by consolidated subsidiaries	9,718	Million yen	9,680	Million yen
Others	68		46	
Total	9,787		9,727	

(2) Management Guidance Letters, etc.

The Company has submitted memoranda on management guidance and similar documents to financial institutions, in which it agrees, among other matters, to take responsibility for maintaining the sound financial condition of certain affiliated companies in connection with their financing activities.

It should be noted that none of these memoranda constitute guarantee-like arrangements as defined under the “Audit Treatment for Accounting and Disclosure of Guarantees and Guarantee-like Transactions”

(JICPA Audit and Assurance Practice Committee Practical Guideline No. 61).

(Notes on the Quarterly Consolidated Statement of Cash Flows)

The quarterly consolidated statement of cash flows for the first quarter of the consolidated cumulative period has not been prepared.

Depreciation (including amortization of intangible fixed assets other than goodwill) and amortization of goodwill for the first quarter of the consolidated cumulative period are as follows:

	Three months ended May 31, 2024		Three months ended May 31, 2025	
Depreciation	83,978	Million yen	88,528	Million yen
Amortization of Goodwill	4,091		4,415	

(Shareholders' Equity and Related Matters)

Three Months ended May 31, 2024 (March 1 – May 31, 2024)

Dividend Payment

Resolution	Type of Shares	Total Dividend Amount (Million Yen)	Dividend per Share (Yen)	Record Date	Effective Date	Source of Dividend
Board of Directors' Meeting on April 10, 2024	Ordinary Shares	15,427	18	February 29, 2024	May 1, 2024	Retained Earnings

Note:

The total amount of dividends includes dividends on shares of the Company held in the employee stock ownership plan (ESOP) trust (1,115,400 shares as of the record date of February 29, 2024).

Three Months ended May 31, 2025 (March 1 – May 31, 2025)

Dividend Payment

Resolution	Type of Shares	Total Dividend Amount (Million Yen)	Dividend per Share (Yen)	Record Date	Effective Date	Source of Dividend
Board of Directors' Meeting on April 11, 2025	Ordinary Shares	17,222	20	February 28, 2025	May 1, 2025	Retained Earnings

Note:

1. The total amount of dividends includes dividends on shares of the Company held in the employee stock ownership plan (ESOP) trust (85,700 shares as of the record date of February 28, 2025).
2. The dividend per share includes a commemorative dividend of 2 yen.

(Notes on Segment Information)

I. Three Months ended May 31, 2024 (March 1 – May 31, 2024)

1. Operating revenue and income/loss by reportable segment

(Millions of yen)

	Reportable segment						
	GMS	Supermarket	Discount Store	Health and Wellness	Financial Services	Shopping Center Development	Services and Specialty Store
Operating revenue:							
(1) Revenue attributable to customers	829,862	727,003	100,168	317,736	112,145	100,497	129,433
(2) Intersegment revenue or transfers	24,072	3,161	301	220	15,048	21,384	52,200
Total	853,934	730,165	100,469	317,957	127,193	121,882	181,633
Segment income (loss)	(3,448)	3,528	1,915	5,343	14,915	15,729	6,113

	Reportable segment		Other*1	Total	Adjustments *2,3	Reported in the quarterly consolidated statement of income*4
	International	Total				
Operating revenue:						
(1) Revenue attributable to customers	141,113	2,457,961	2,595	2,460,556	(11,340)	2,449,216
(2) Intersegment revenue or transfers	1,174	117,562	12,676	130,239	(130,239)	—
Total	142,287	2,575,524	15,272	2,590,796	(141,579)	2,449,216
Segment income (loss)	3,954	48,051	(2,426)	45,625	2,170	47,795

Notes:

1. “Other” segment includes business segments not categorized as reportable segments such as digital business.
2. Main components of the minus 11,340 million yen in adjustments for revenue attributable to customers are as follows:
 - (a) minus 26,886 million yen for certain service transactions that are presented on a gross basis in the reportable segments as it is more appropriate for segment performance presentation, but reclassified to a net basis in the quarterly consolidated statement of income as they represent incidental revenues, and
 - (b) 15,584 million yen in “operating revenues from equity-method affiliates” of Group companies attributable to AEON Group merchandise supply that is part of head office functions and does not fall into any of the business segments.
3. Main components of minus 2,170 million yen in adjustments for segment income (loss) are as follows:
 - (a) 1,544 million yen in the income of the pure holding company (AEON CO., LTD.) not attributable to any of the business segments,
 - (b) 1,602 million yen in the income of Group companies attributable to AEON Group merchandise supply that does not fall into any of the business segments, and
 - (c) minus 985 million yen in intersegment transaction eliminations.
4. Segment income (loss) adjustments are based on operating profit reported in the quarterly Consolidated Statement of Income for the corresponding period.

2. Information on Impairment Losses on Fixed Assets, Goodwill, etc. by Reportable Segment

(Significant impairment losses on fixed assets)

There were no significant impairment losses.

(Significant changes in the amount of goodwill)

There were no significant changes.

(Significant gain on negative goodwill)

There are no applicable matters.

II. Three Months ended May 31, 2024 (March 1 – May 31, 2025)

1. Operating revenue and income/loss by reportable segment

(Millions of yen)

	Reportable segment						
	GMS	Supermarket	Discount Store	Health and Wellness	Financial Services	Shopping Center Development	Services and Specialty Store
Operating revenue:							
(1) Revenue attributable to customers	867,689	757,018	107,708	335,766	119,415	106,578	131,141
(2) Intersegment revenue or transfers	20,558	3,448	290	210	19,961	21,758	55,542
Total	888,247	760,466	107,999	335,977	139,376	128,337	186,683
Segment income (loss)	(1,787)	6,985	1,816	8,448	13,407	17,179	6,962

	Reportable segment		Other*1	Total	Adjustments *2,3	Reported in the quarterly consolidated statement of income*4
	International	Total				
Operating revenue:						
(1) Revenue attributable to customers	150,469	2,575,787	5,155	2,580,943	(14,046)	2,566,897
(2) Intersegment revenue or transfers	1,178	122,949	13,486	136,436	(136,436)	—
Total	151,648	2,698,737	18,642	2,717,380	(150,482)	2,566,897
Segment income (loss)	4,237	57,250	(2,812)	54,438	1,844	56,282

Notes:

- “Other” segment includes business segments not categorized as reportable segments such as digital business.
- Main components of the minus 14,046 million yen in adjustments for revenue attributable to customers are as follows:
 - minus 29,651 million yen for certain service transactions that are presented on a gross basis in the reportable segments as it is more appropriate for segment performance presentation, but reclassified to a net basis in the quarterly consolidated statement of income as they represent incidental revenues, and
 - 15,541 million yen in “operating revenues from equity-method affiliates” of Group companies attributable to AEON Group merchandise supply that is part of head office functions and does not fall into any of the business segments.
- Main components of 1,844 million yen in adjustments for segment income (loss) are as follows:
 - 1,813 million yen in the income of the pure holding company (AEON CO., LTD.) not attributable to any of the business segments,
 - 355 million yen in the income of Group companies attributable to AEON Group merchandise supply that does not fall into any of the business segments, and
 - minus 878 million yen in intersegment transaction eliminations.
- Segment income (loss) adjustments are based on operating profit reported in the quarterly Consolidated Statement of Income for the corresponding period.

2. Change of reportable segment

In line with organizational changes, from the first quarter of the fiscal year ending February 28, 2026, the Company has reclassified some of the subsidiaries included in the Supermarket Business to Services and Specialty Store Business. For reference, segment information for the three months ended May 31, 2024, was prepared based on the current segmentation.

3. Information on Impairment Losses on Fixed Assets, Goodwill, etc. by Reportable Segment

(Significant impairment losses on fixed assets)

An impairment loss of 6,845 million yen was recorded in the Financial Services Business segment.

(Significant changes in the amount of goodwill)

There were no significant changes.

(Significant gain on negative goodwill)

There are no applicable matters.

(Revenue Recognition)

1. Information on the breakdown of revenue arising from contracts with customers
Three Months ended May, 2024 (March 1 – May 31, 2024)

(Millions of yen)

	Reportable segment						
	GMS	Supermarket	Discount Store	Health and Wellness	Financial Services	Shopping Center Development	Services and Specialty Store
Merchandise Sales Revenue	788,421	701,208	98,050	317,018	—	—	92,567
Service Income, etc.	10,036	14,906	1,902	405	741	34,447	36,418
Revenue from Contracts with Customers	798,457	716,114	99,953	317,423	741	34,447	128,986
Other Revenue*3	31,404	10,889	215	313	111,403	66,050	447
Operating Revenue from External Customers	829,862	727,003	100,168	317,736	112,145	100,497	129,433

	Reportable segment		Other*1	Total	Adjustments*2	Reported in the quarterly consolidated statement of income
	International	Total				
Merchandise Sales Revenue	121,072	2,118,339	1,663	2,120,003	10,604	2,130,608
Service Income, etc.	10,370	109,228	931	110,159	(22,027)	88,132
Revenue from Contracts with Customers	131,443	2,227,567	2,595	2,230,163	(11,422)	2,218,740
Other Revenue*3	9,670	230,393	0	230,393	82	230,476
Operating Revenue from External Customers	141,113	2,457,961	2,595	2,460,556	(11,340)	2,449,216

Notes:

1. The "Other" category represents business segments not included in the reportable segments, such as the digital business.
2. The "Adjustments" category includes adjustments for certain service transactions that are presented as gross revenue in the business segment results but are reclassified to net revenue in the quarterly consolidated statement of income, as they are incidental revenue. It also includes revenue from headquarters and companies engaged in product supply, which are not allocated to any specific business segment.
3. "Other Revenue" mainly consists of periodic lease tenant rents based on the "Accounting Standard for Lease Transactions" (Accounting Standard No. 13, March 30, 2007) and credit card cashing interest based on the "Accounting Standard for Financial Instruments" (Accounting Standard No. 10, July 4, 2019).

Three Months ended May 31, 2025 (March 1 – May 31, 2025)

(Millions of yen)

	Reportable segment						
	GMS	Supermarket	Discount Store	Health and Wellness	Financial Services	Shopping Center Development	Services and Specialty Store
Merchandise Sales Revenue	823,343	733,325	107,121	335,328	—	—	91,083
Service Income, etc.	11,841	13,115	361	128	1,319	36,619	39,625
Revenue from Contracts with Customers	835,185	746,440	107,483	335,457	1,319	36,619	130,709
Other Revenue*3	32,503	10,577	225	309	118,096	69,959	432
Operating Revenue from External Customers	867,689	757,018	107,708	335,766	119,415	106,578	131,141

	Reportable segment		Other*1	Total	Adjustments*2	Reported in the quarterly consolidated statement of income
	International	Total				
Merchandise Sales Revenue	128,770	2,218,973	3,936	2,222,910	8,665	2,231,576
Service Income, etc.	10,679	113,691	1,218	114,909	(22,799)	92,110
Revenue from Contracts with Customers	139,450	2,332,664	5,155	2,337,820	(14,133)	2,323,686
Other Revenue*3	11,019	243,123	0	243,123	87	243,210
Operating Revenue from External Customers	150,469	2,575,787	5,155	2,580,943	(14,046)	2,566,897

Notes:

1. The "Other" category represents business segments not included in the reportable segments, such as the digital business.
2. The "Adjustments" category includes adjustments for certain service transactions that are presented as gross revenue in the business segment results but are reclassified to net revenue in the quarterly consolidated statement of income, as they are incidental revenue. It also includes revenue from headquarters and companies engaged in product supply, which are not allocated to any specific business segment.
3. "Other Revenue" mainly consists of periodic lease tenant rents based on the "Accounting Standard for Lease Transactions" (Accounting Standard No. 13, March 30, 2007) and credit card cashing interest based on the "Accounting Standard for Financial Instruments" (Accounting Standard No. 10, July 4, 2019).

2. Matters related to changes in reportable segments, etc.

Due to organizational changes, from the first quarter of the consolidated accounting period, some subsidiaries that were included in the Supermarket Business have been reclassified to the Services and Specialty Store Business. Information on revenue from contracts with customers for the first quarter of the previous consolidated cumulative period has been prepared using the new classification method.

(Information Per Share)

The quarterly net income or net loss per share, the basis for its calculation, and the diluted quarterly net income per share and its calculation basis are as follows:

Items	Three Months ended May 31, 2024	Three Months ended May 31, 2025
(1) Quarterly Net Income or Loss per Share	3.91 yen	(7.63) yen
(Basis for Calculation)		
Quarterly Net Income or Loss Attributable to Owners of Parent (Millions of Yen)	3,348	(6,570)
Amount Not Attributable to Common Shareholders (Millions of Yen)	—	—
Quarterly Net Income or Loss Attributable to Common Shareholders (Millions of Yen)	3,348	(6,570)
Average Number of Common Shares Outstanding During the Period (Thousands)	856,041	861,019
(2) Diluted Quarterly Net Income per Share	3.90 yen	—
(Basis for Calculation)		
Adjustments to Quarterly Net Income Attributable to Owners of Parent (Millions of Yen)	(5)	—
[Including Equity Fluctuation Difference Related to Stock Acquisition Rights Issued by Consolidated Subsidiaries] (Millions of Yen)	[(5)]	[—]
Increase in Common Shares (Thousands)	170	—
[Including Stock Acquisition Rights (Thousands)]	[170]	[—]
Summary of significant changes in non-dilutive stock excluded from the calculation of diluted net income per share since the end of the previous fiscal year	—	—

Notes:

1. The average number of common shares during the period includes treasury shares held by the Employee Stock Ownership Plan (ESOP) Trust (905 thousand shares as of the end of the first quarter of fiscal 2024). The average number of shares held by the ESOP Trust during the period was 1,033 thousand shares for the first quarter of fiscal 2024 and 25 thousand shares for the same period of fiscal 2024.
2. Although dilutive shares exist, the net income per share after adjustment for dilutive shares is not disclosed for the first quarter of the current consolidated cumulative period due to a negative net income per share.
3. As stated in “Changes in Accounting Policies,” the change in accounting policy applied in the first quarter of the current consolidated fiscal period has been applied retrospectively. Accordingly, earnings per share for the first quarter of the previous consolidated cumulative period have been restated based on the retrospective application. As a result, basic earnings per share and diluted earnings per share decreased by 2.08 yen compared to the figures before the retrospective application.

(Notes on Significant Subsequent Events)

Stock Split and Partial Amendment to the Articles of Incorporation in Connection with the Stock Split

The Company, pursuant to a resolution delegated by the Board of Directors, resolved on June 12, 2025, by decision of the Representative Executive Officer, to conduct a stock split and to partially amend the Articles of Incorporation in connection therewith. The overview is as follows.

1. Stock split

1) The aim of stock split

The purpose of the stock split is to improve the liquidity of the Company's shares and further expand the investor base by lowering the investment amount per trading unit.

2) Stock Split Ratio

The Company will conduct a three-for-one stock split of its common shares, based on the shareholders recorded in the final register of shareholders as of the record date of August 31, 2025 (effectively August 29, as August 31 is a non-business day for the shareholder registry administrator).

3) Number of Shares Increased by the Stock Split

Total number of issued shares before the stock split	927,843,007*
Number of shares increased by the stock split	1,855,686,014
Total number of issued shares after the stock split	2,783,529,021
Total number of authorized shares after the stock split	7,200,000,000

Note:

The total number of issued shares before the stock split consists of 871,924,572 shares as of May 31, 2025, plus 55,918,435 newly issued shares in connection with the share exchange with AEON MALL Co., Ltd., effective July 1, 2025.

4) Schedule of the Stock Split

Date of public notice of record date	August 15, 2025
Record date	August 31, 2025
Effective date	September 1, 2025

5) Impact on Per Share Information

If the stock split had been conducted at the beginning of the previous consolidated fiscal year, each figure for per share information would have been as follows.

	Three Months ended May 31, 2024	Three Months ended May 31, 2025
Net income (loss) per share	1.30 yen	(2.54) yen
Diluted net income per share	1.30 yen	—

Note:

Diluted net income per share for the first quarter of the current consolidated cumulative period is not presented, as a net loss per share was recorded despite the existence of dilutive shares.

6) Other

There will be no increase in the Company's capital as a result of the stock split.

2. Partial Amendment to the Articles of Incorporation in Connection with the Stock Split

1) Reason for the Amendment

In conjunction with the stock split, a partial amendment to the Company's Articles of Incorporation will take effect on September 1, 2025, pursuant to a resolution based on Article 184, Paragraph 2 of the Companies Act.

2) Details of the Amendment to the Articles of Incorporation

The details of the amendment are as follows. (Underlined portions indicate the changes.)

Current	Amended
Chapter 2: Shares (Authorized Total Number of Shares and Number of Shares per Unit)	Chapter 2: Shares (Authorized Total Number of Shares and Number of Shares per Unit)
Article 7 The total number of shares authorized to be issued by the Company shall be 2.4 billion shares.	Article 7 The total number of shares authorized to be issued by the Company shall be 7.2 billion shares.

3) Schedule of the Amendment to the Articles of Incorporation

Effective date: September 1, 2025

Independent Auditor's Report on the Quarterly Consolidated Financial Statements

July 31, 2025

To the Board of Directors, AEON CO., LTD.

Deloitte Touche Tohmatsu LLC
Tokyo Office

Designated and Engagement Partner	Certified Public Accountant	Masayuki Yamada
Designated and Engagement Partner	Certified Public Accountant	Shinsuke Tsuji
Designated and Engagement Partner	Certified Public Accountant	Mikihiko Okabe

Auditor's Conclusion:

The quarterly consolidated financial statements of AEON CO., LTD. (hereinafter the “Company”) for the first quarter of the consolidated fiscal year from March 1, 2025 to February 28, 2026 (from March 1, 2025 to May 31, 2025), including the quarterly consolidated balance sheet, the quarterly consolidated statement of income, the quarterly consolidated statement of comprehensive income, and the related notes—presented in the “Attached Materials” of this quarterly financial results report—have been reviewed by our audit firm.

Based on our review, nothing has come to our attention that causes us to believe that the quarterly consolidated financial statements referred to above do not present fairly, in all material respects, the financial position of the Company and its consolidated subsidiaries as of May 31, 2025, and the results of their operations for the three-month period then ended, in conformity with accounting principles generally accepted in Japan, which are described in Article 4, Section 1 of the Standards for Preparation of Quarterly Financial Statements, issued by Tokyo Stock Exchange, Inc.

Basis for Auditor's Conclusion:

We conducted our review in accordance with the standards for an interim review generally accepted in Japan. Our responsibility under those standards are described in “**Auditor's Responsibility for Interim Review of Quarterly Consolidated Financial Statements.**” We are independent of the Company and its consolidated subsidiaries and have fulfilled our other ethical responsibilities as auditors in accordance with the rules of professional ethics in Japan, including those applicable to audits of financial statement of entities with significant public interest. We believe that the evidence we have obtained provides a basis for our conclusion.

Management and Audit Committee Responsibility for Quarterly Consolidated Financial Statements:

The responsibility of management is to prepare and fairly present the quarterly consolidated financial statements in accordance with Article 4, Paragraph 1 of the Rules for Preparing Quarterly Financial Statements of the Tokyo Stock Exchange and the accounting principles generally accepted in Japan. This includes the design and operation of internal controls deemed necessary by management for the preparation and fair presentation of quarterly consolidated financial statements that are free from material misstatement due to fraud or error.

In preparing the quarterly consolidated financial statements, management is responsible for evaluating whether it is appropriate to prepare the statements on a going concern basis and, where required, for disclosing matters related to a going concern in accordance with Article 4, Paragraph 1 of the Standards for Preparation of Quarterly Financial Statements issued by Tokyo Stock Exchange, Inc. and the accounting principles generally accepted in Japan.

The Audit Committee is responsible for monitoring the performance of the Executive Officers and Directors in the development and operation of the financial reporting process.

Auditor's Responsibility for Interim Review of Quarterly Consolidated Financial Statements:

The auditor's responsibility is to express a conclusion in the interim review report, from an independent standpoint, on the quarterly consolidated financial statements based on an interim review. Throughout the course of the interim review, the auditor is required to exercise professional judgment and maintain professional skepticism in accordance with the generally accepted standards for interim reviews in Japan.

- We perform analytical procedures and other interim review procedures, consisting principally of inquiries of management and other persons responsible for financial and accounting matters. Interim review procedures are more limited in scope than an audit of annual financial statements performed in accordance with auditing standards generally accepted in Japan.
- If we determine that there is significant uncertainty regarding events or conditions that may cast substantial doubt on the entity's ability to continue as a going concern, we evaluate based on the evidence obtained, whether the quarterly consolidated financial statements are fairly presented in accordance with Article 4, Paragraph 1 of the Rules for Preparing Quarterly Financial Statements of the Tokyo Stock Exchange and the accounting principles generally accepted in Japan. Additionally, if significant uncertainty regarding the going concern assumption exists, we are required to either emphasize the related note disclosures in our review report or, if those disclosures are inadequate, express a qualified or adverse conclusion. Our conclusion is based on the evidence obtained up to the date of our review report; however, future events or conditions may cause the entity to cease to continue as a going concern.
- We evaluate whether there are any matters that lead us to believe that the presentation and disclosures in the quarterly consolidated financial statements are not in compliance with Article 4, Paragraph 1 of the Rules for Preparing Quarterly Financial Statements of the Tokyo Stock Exchange and the accounting standards for quarterly financial statements generally accepted as fair and reasonable in Japan. Additionally, we assess whether the structure, content, and related notes, as well as the representation of the underlying transactions and accounting events in the quarterly consolidated financial statements, are not fairly presented.
- We obtain evidence regarding the financial information of the Company and its consolidated subsidiaries as a basis for our conclusion on the quarterly consolidated financial statements. The auditor is responsible for directing, supervising, and performing the interim review of the quarterly consolidated financial statements. The auditor is solely responsible for the conclusion expressed.

The auditor shall report to the Audit Committee on the scope and timing of the planned interim review and significant findings on the interim review.

The auditor shall report to the Audit Committee that they have complied with Japanese professional ethics rules regarding independence, and disclose any matters that could reasonably be considered to affect independence. This includes any impediments and, if applicable, the measures taken to eliminate them or the safeguards applied to reduce them to an acceptable level.

Interest or Relationship:

We have no interest or relationship with the Company or its consolidated subsidiaries that would require disclosure under the Certified Public Accountants Act.

END

Notes:

1. The original of the above review report for the period is kept separately by the Company (the company disclosing the quarterly financial statements).
2. XBRL data and HTML data are not included in the scope of the interim review.