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For Immediate Release

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Notice Concerning Revision to the Forecasts for Performance and Distributions for the
Fiscal Period Ending January 31, 2022 and the Forecasts for Performance and
Distributions for the Fiscal Period Ending July 31, 2022

AEON REIT Investment Corporation (“we” or the “Investment Corporation”) hereby announces revisions to its forecasts for performance and distributions (forecast figures) for the fiscal period ending January 31, 2022 (from August 1, 2021 to January 31, 2022), which were originally published in “Financial Report for the Fiscal Period Ended January 31, 2021” dated March 17, 2021 as detailed below.

In addition, we hereby announce our forecasts for performance and distributions for the fiscal period ending July 31, 2022 (from February 1, 2022 to July 31, 2022).

1. Revision to the forecasts for performance

(1) Revision to the forecasts for performance and distributions for the fiscal period ending January 31, 2022

	Operating revenues (in millions of yen)	Operating income (in millions of yen)	Ordinary income (in millions of yen)	Net income (in millions of yen)	Distributions per unit (excluding distributions in excess of earnings) (in yen)	Distributions in excess of earnings per unit (in yen)
Previous forecasts (A)	17,762	6,822	5,999	5,999	3,200	0
Revised forecasts (B)	19,890	7,665	6,715	6,635	3,315	0
Amount of change (B - A)	2,128	842	715	635	115	0
Rate of change (B - A) / (A)	12.0%	12.4%	11.9%	10.6%	3.6%	-

Disclaimer: This press release has been prepared for the public disclosure of the revision to the forecasts for performance and distributions for the fiscal period ending January 31, 2022 and the forecasts for performance and distributions for the fiscal period ending July 31, 2022 of AEON REIT Investment Corporation and has not been prepared for the purpose of soliciting investment. Any investment decision should be based on an investor’s own responsibility and judgment after reading the prospectus for the new investment units and secondary offering of investment units, as well as any revisions thereto (if any) prepared by us. This press release does not constitute an offer of securities in the United States of America. The investment units have not been, and will not be, registered under the United States Securities Act of 1933 (the “Securities Act”). The investment units may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. The investment units referred to above will not be offered, publicly or otherwise, in the United States.

(2) The forecasts for performance and distributions for the fiscal period ending July 31, 2022

	Operating revenues (in millions of yen)	Operating income (in millions of yen)	Ordinary income (in millions of yen)	Net income (in millions of yen)	Distributions per unit (excluding distributions in excess of earnings) (in yen)	Distributions in excess of earnings per unit (in yen)
Forecasts	19,918	7,561	6,621	6,621	3,270	0

(Reference)

Fiscal period ending January 31, 2022:

Anticipated number of investment units outstanding at the end of the period: 2,044,467 units (1,873,317 units assumed at previous announcement)

Fiscal period ending July 31, 2022:

Anticipated number of investment units outstanding at the end of the period: 2,044,467 units

(Notes)

1. The above forecast figures represent current calculations based on the assumptions described in the Attachment to this press release, "Assumptions Underlying the Forecasts for the Fiscal Periods Ending January 31, 2022 and July 31, 2022." Actual operating revenues, operating income, ordinary income, net income and distributions per unit (excluding distributions in excess of earnings) may differ from these forecasts due to factors in the future such as additional acquisitions or sales of properties, or other assets, changes in the real estate market, the actual number and issue price of newly issued investment units, trends in interest rates and other changes in circumstances affecting us. In addition, these forecasts are not a guarantee of distribution amounts.
2. We may revise the above forecasts in the event that the difference between the above forecasts and actual results are anticipated to be over a certain threshold.
3. The values are truncated to the unit, and percentages are rounded to the first decimal place. The same applies below.

2. Reasons for revision and announcement

The assumptions for the forecasts for the fiscal period ending January 31, 2022 released on March 17, 2021 have changed due to the anticipated acquisition of properties and the issuance of new investment units, which we announced in "Notice Concerning Acquisition and Leases of Domestic Properties" and "Notice Concerning Issuance of New Investment Units and Secondary Offering of Investment Units" dated today. For this reason, the forecasts for the performance and distributions for the fiscal period ending January 31, 2022 have been revised.

At the same time, we announce the forecasts for the performance and distributions for the fiscal period ending July 31, 2022 based on the same assumptions.

Furthermore, the actual operating results and distributions for the fiscal period ended July 31, 2021 (from February 1, 2021 to July 31, 2021) are scheduled to be announced in "Financial Report for the Fiscal Period Ended July 31, 2021 (the 17th Period)" to be announced in mid-September 2021.

* AEON REIT Investment Corporation's website: <https://www.aeon-jreit.co.jp/en/index.html>

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【Attachment】

Assumptions Underlying the Forecasts
for the Fiscal Periods Ending January 31, 2022 and July 31, 2022

Item	Assumptions
Calculation period	<ul style="list-style-type: none"> Fiscal period ending January 31, 2022 (184 days from August 1, 2021 to January 31, 2022, the 18th Period) Fiscal period ending July 31, 2022 (181 days from February 1, 2022 to July 31, 2022, the 19th Period)
Portfolio	<ul style="list-style-type: none"> We assume a total of 47 properties, with respect to which we currently hold 43 properties (the “Current Properties” (including AEON MALL SEREMBAN 2 which we own through the acquisition of all of the issued and outstanding shares of overseas special purpose company (the “Overseas SPC”) which holds the property)) and intend to acquire 4 new properties on August 4, 2021 (the “New Properties”). For the details of the acquisition of the New Properties, see “Notice Concerning Acquisition and Leases of Domestic Properties” announced today. With respect to forecasted performance, we assumed that the New Properties will be acquired according to the above timeline, and that there will be no change in assets under management (acquisition of new assets or sales of the Current Properties, etc.) through the fiscal period ending July 31, 2022 (the 19th Period). However, changes in actual results may occur on account of changes in assets under management other than as detailed above.
Operating revenues	<ul style="list-style-type: none"> Revenues from the leasing of the Current Properties are calculated based on currently effective lease contracts and market fluctuations. Dividend income received from the Overseas SPC is calculated based on receiving term-end dividends in the fiscal period ending January 31, 2022 (the 18th Period) and interim dividends in the fiscal period ending July 31, 2022 (the 19th Period). The exchange rate is assumed ¥24.00 to 1 RM. Revenues from the leasing of the New Properties are calculated based on information acquired from the current owner of each New Property, the current lease contract that is effective as of the scheduled date of acquisition of each New Property, market movement and other factors. Operating revenues are based on the assumption that tenants will pay rent without delinquency.
Operating expenses	<ul style="list-style-type: none"> With respect to Current Properties, of the expenses for the leasing business that are principal operating expenses, expenses other than depreciation are calculated based on actual historical expenses reflecting variable factors. Expenses for the New Properties are calculated by reflecting fluctuating factors, based on amounts in the appraisal reports, taking into account information acquired from the current owner of each New Property. Although property taxes, city planning taxes and depreciable property taxes on the acquired assets are generally calculated on a pro-rata basis and settled at the time of acquisition with the current owners, an amount equivalent to such tax is not expensed in the period when the assets are acquired, as it is included in the acquisition price. The total amount of property taxes, city planning taxes and depreciable property taxes on New Property and the Current Properties to be expensed in the fiscal period ending January 31, 2022 (the 18th Period) and the fiscal period ending July 31, 2022 (the 19th Period) will be 2,029 million yen and 2,249 million yen respectively. The property taxes, city planning taxes and depreciable property taxes for fiscal year 2022 in relation to New Properties will be expensed from the fiscal period ending July 31, 2022 (the 19th Period). Building repair expenses are accounted for as expenses required for every business period according to the mid-to-long term building repair plan developed by the asset

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	<p>manager (AEON Reit Management Co. Ltd.). However, repair and maintenance expenses in each business period may differ largely from the expected amount for reasons such as: damage to buildings from certain unexpected factors and other repair expenses that do not occur regularly. In general, the amount of repair expenses varies considerably from year to year.</p> <ul style="list-style-type: none"> • Depreciation expenses including ancillary costs are calculated using the straight-line method. The forecast assumes 5,140 million yen in the fiscal period ending January 31, 2022 (the 18th Period) and 5,110 million yen in the fiscal period ending July 31, 2022 (the 19th Period).
Non-operating expenses	<ul style="list-style-type: none"> • For interest expenses and other borrowing costs, 932 million yen in the fiscal period ending January 31, 2022 (the 18th Period) and 921 million yen in the fiscal period ending July 31, 2022 (the 19th Period) are projected.
Borrowings	<ul style="list-style-type: none"> • The Investment Corporation's balance of interest-bearing debt totals 159,800 million yen as of today. It is assumed that we will draw short term loans totaling 23,800 million yen and long term loans totaling 19,300 million yen on August 4, 2021 to partly finance the acquisition of the New Properties and related expenses. It is assumed that all of the short term loan will be repaid on September 21, 2021. • It is assumed that we will refinance 19,100 million yen in borrowings that will mature in the fiscal period ending January 31, 2022 (the 18th Period) (repayment date: October 20, 2021) for the same amount. • LTV at the end of the fiscal period ending January 31, 2022 (the 18th Period) and the fiscal period ending July 31, 2022 (the 19th Period) is expected to be around 45% and 45%, respectively. • To calculate LTV, the following formula is used: $\text{LTV} = (\text{Total interest-bearing debt plus tenant leasehold and guarantee deposits received (including tenant leasehold and guarantee deposits received in trust)} / \text{Total assets}) \times 100$ • LTV may be subject to change, depending on the issue price of new investment units to be issued this time and a third-party allotment.
Investment units	<ul style="list-style-type: none"> • In addition to the 1,873,317 investment units currently outstanding as of today, we assumed a total of 171,150 investment units to be newly and fully issued through an offering of new investment units (163,000 investment units) and a third-party allotment (up to 8,150 investment units). Such amounts were determined at the board of directors meeting held today. For details on the Investment Unit issuance, see "Notice Concerning Issuance of New Investment Units and Secondary Offering of Investment Units" announced today. • Except for the above, we have assumed that the number of investment units will remain unchanged, without any further issuance of new investment units through the fiscal period ending July 31, 2022 (the 19th Period). • Distributions per unit for the fiscal period ending January 31, 2022 (the 18th Period) and the fiscal period ending July 31, 2022 (the 19th Period) are calculated based on the number of investment units outstanding, 2,044,467, for each respective period.
Distributions per unit (excluding distributions in excess of earnings)	<ul style="list-style-type: none"> • Distributions per unit (excluding distributions in excess of earnings) are calculated based on the fund distribution policy provided in our Articles of Incorporation. • Distributions per unit may change due to various factors including changes in rent revenues attributable to changes in the assets under management and changes in tenants, as well as the occurrence of unexpected repairs and maintenance. • The depreciation of fixed term land lease right and the depreciation due to recording of asset retirement obligations (Hereinafter referred to as "the depreciation of land lease right etc.") will be recorded from the fiscal period ending January 31, 2022 (the 18th Period) because the depreciation of land lease right etc. will have a greater impact due to the acquisition of AEON MALL Shinkomatsu. For this reason, the depreciation of land lease right etc. of the 3 held properties (AEON MALL Ogaki, AEON

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	<p>Kireuriwari Shopping Center, AEON MALL Hiezu), which were unaccounted from the time of acquisition to the fiscal period ending July 31, 2021 (the 17th Period) on the assumption that they are not material to financial statements and others as a whole, is scheduled to be expensed in the fiscal period ending January 31, 2022 (the 18th Period). These expenses are based on the assumption of the reversal of distribution reserve of 149 million yen for the fiscal period ending January 31, 2022 (the 18th Period) and 69 million yen for the fiscal period ending July 31, 2022 (the 19th Period).</p>
Distributions in excess of earnings per unit	<ul style="list-style-type: none"> • There are no plans at this time to distribute cash in excess of earnings (distributions in excess of earnings per unit).
Others	<ul style="list-style-type: none"> • It is assumed that no revision that would have an impact on the forecast values above will be made in the laws, tax systems, accounting standards, listing rules, the rules of the Investment Trusts Association, Japan, or other applicable rules and regulations. • It is assumed that no unexpected significant change will occur with respect to general economic behavior, real estate market conditions and other similar conditions. • It is assumed that the further spread of COVID-19 will not occur and the negative impacts from the pandemic will not persist over a long period of time. The above forecasts do not factor in negative impacts to the operating environment in the event that pandemic conditions will persist and COVID-19 will continue spreading.

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