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September 13, 2023

Financial Report for the Fiscal Period Ended July 31, 2023 (February 1, 2023 – July 31, 2023)

AEON REIT Investment Corporation

Listing: Tokyo Stock Exchange
 Securities code: 3292
 URL: <https://www.aeon-jreit.co.jp/en/index.html>
 Representative: Nobuaki Seki, Executive Director

Asset management company: AEON Reit Management Co., Ltd.
 Representative: Nobuaki Seki, Representative Director and President
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Scheduled date to file securities report: October 30, 2023
 Scheduled date to commence distribution payments: October 20, 2023

Preparation of supplementary material on financial report: Yes
 Holding of financial report presentation meeting: Yes (for institutional investors and analysts)

(Amounts rounded down to the nearest million yen)

1. Summary of financial results for the fiscal period ended July 31, 2023 (February 1, 2023 – July 31, 2023)

(1) Operating results (Percentages show changes from the previous period)

Fiscal period ended	Operating revenue		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
July 31, 2023	21,008	5.1	7,970	4.6	7,048	5.0	7,047	4.8
January 31, 2023	19,987	(0.7)	7,620	0.8	6,713	0.3	6,724	(2.4)

Fiscal period ended	Net income per unit	Return on equity (ROE)	Ordinary income to total assets	Ordinary income to operating revenue
	Yen	%	%	%
July 31, 2023	3,318	2.9	1.6	33.5
January 31, 2023	3,288	2.8	1.5	33.6

(2) Distributions

Fiscal period ended	Distribution per unit (excluding distributions in excess of retained earnings)	Total cash distributions (excluding distributions in excess of retained earnings)	Distribution in excess of retained earnings per unit	Total cash distributions in excess of retained earnings	Payout ratio	Cash distributions to net assets
	Yen	Millions of yen	Yen	Millions of yen	%	%
July 31, 2023	3,350	7,115	0	0	101.0	2.9
January 31, 2023	3,283	6,711	0	0	99.8	2.8

(Note 1) Distribution per unit for the fiscal period ended July 31, 2023, is calculated by dividing the amount, which is obtained by adding the amount of reversal of distribution reserve of ¥65 million to unappropriated retained earnings of ¥7,049 million, by the total number of investment units issued and outstanding.

(Note 2) Distribution per unit for the fiscal period ended January 31, 2023, is calculated by dividing the amount, which is obtained by deducting the amount of provision of distribution reserve of ¥10 million from unappropriated retained earnings of ¥6,724 million, by the total number of investment units issued and outstanding.

(Note 3) Payout ratio is calculated by using the following formula:

$$\text{Payout ratio} = \text{Total cash distributions (excluding distributions in excess of retained earnings)} / \text{Net income} \times 100$$

(3) Financial position

	Total assets	Net assets	Equity ratio	Net assets per unit
As of	Millions of yen	Millions of yen	%	Yen
July 31, 2023	452,485	247,392	54.7	116,477
January 31, 2023	433,395	236,638	54.6	115,745

(Reference) Equity As of July 31, 2023: ¥247,392 million As of January 31, 2023: ¥236,638 million

(4) Cash flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
Fiscal period ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
July 31, 2023	11,454	(24,226)	12,973	33,060
January 31, 2023	10,651	(1,401)	(6,692)	32,859

2. Forecasts of performance for the fiscal periods ending January 31, 2024 (August 1, 2023 – January 31, 2024) and July 31, 2024 (February 1, 2024 – July 31, 2024)

(Percentages show changes from the previous period)

Fiscal period ending	Operating revenue		Operating income		Ordinary income		Net income		Distributions per unit (excluding distributions in excess of retained earnings)	Distributions in excess of retained earnings per unit
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	Yen
January 31, 2024	20,976	(0.1)	8,019	0.6	7,036	(0.2)	7,036	(0.2)	3,350	0
July 31, 2024	20,997	0.1	8,013	(0.1)	7,004	(0.5)	7,004	(0.5)	3,335	0

(Reference) Forecasted net income per unit (Forecasted net income / Forecasted total number of investment units issued and outstanding at end of period)

For the fiscal period ending January 31, 2024: ¥3,312

For the fiscal period ending July 31, 2024: ¥3,297

(Note) Distribution per unit for the fiscal periods ending January 2024 and July 2024 is calculated on the assumption that part of the provision of distribution reserve (¥80 million and ¥80 million, respectively) will be reversed and distributed.

*Other

(1) Changes in accounting policies, changes in accounting estimates, and retrospective restatement

- Changes in accounting policies due to revisions to accounting standards and other regulations: None
- Changes in accounting policies due to reasons other than a. above: None
- Changes in accounting estimates: None
- Retrospective restatement: None

(2) Total number of investment units issued and outstanding

- Total number of investment units issued and outstanding at end of period (including treasury investment units)
 - As of July 31, 2023 2,123,952 units
 - As of January 31, 2023 2,044,467 units
- Number of treasury investment units at end of period
 - As of July 31, 2023 0 units
 - As of January 31, 2023 0 units

(Note) Please refer to “Per Unit Information” on page 31 for the number of investment units used as the basis for calculating net income per unit.

* Status of audit procedures

This financial report is not subject to audit procedures by public accountants or audit corporations.

* Special notes

Forward-looking statements presented in this financial report, including forecasts of performance, are based on information currently available to AEON REIT and on certain assumptions AEON REIT deems to be reasonable. As such, actual operating and other results may differ materially from these forecasts as a consequence of numerous factors. Furthermore, these forecasts shall not be construed as a guarantee of the distribution amount. Please refer to “Assumptions for Forecasts of Performance for the Fiscal Periods Ending January 2024 (August 1, 2023 – January 31, 2024) and July 2024 (February 1, 2024 – July 31, 2024)” on pages 7 and 8 for information on assumptions for the forecasts of operating results.

1. Status of Asset Management

(1) Status of Asset Management

i) Summary of results for the current fiscal period

(A) Overview of AEON REIT

AEON REIT Investment Corporation (hereinafter, “AEON REIT”) invests primarily in retail and related properties which, as an integral part of the communities in which they are located, form the backbone of communities and their retail business infrastructure. Through said investment, we aim to ensure stable earnings over the medium to long term and achieve steady portfolio growth.

AEON REIT was established on November 30, 2012, in accordance with the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951, as amended; hereinafter, the “Investment Trusts Act”), with AEON Reit Management Co., Ltd. (hereinafter, the “Asset Manager”) serving as the organizer. AEON REIT was listed on the Real Estate Investment Trust Securities Market (J-REIT market) of the Tokyo Stock Exchange (securities code: 3292) on November 22, 2013. In the fiscal period under review (21st fiscal period), AEON REIT issued new investment units in February 2023 (total paid-in amount: ¥10,418 million). Using the procured funds in combination with ¥9,300 million in new debt financing, AEON REIT acquired 2 properties comprising AEON MALL Wakayama and AEON MALL Miyakonojo Ekimae (total acquisition price: ¥21,300 million).

The real estate held by AEON REIT as of July 31, 2023, totaled 49 properties in Japan and overseas, including AEON MALL SEREMBAN 2 it owns through an overseas real estate holding corporation established in Malaysia (hereinafter, the “Overseas SPC”), with a total acquisition price of ¥468,332 million. Total leasable area is 4,241,745.30 m² and the occupancy rate of the entire portfolio is 100.0% as of the same date.

(B) Operating environment and performance

(a) Operating environment

In the fiscal period under review (the 21st fiscal period), the Japanese economy saw the real GDP growth rate (first preliminary estimates) for April through June 2023 rise by 1.5% quarter on quarter, achieving positive growth for the third consecutive quarter, amid COVID-19 being re-classified to a Class 5 infectious disease under the Infectious Diseases Control Law in May. This was because production and exports of automobiles increased as supply constraints were eased and foreign demand increased with consumption by inbound tourists (foreign visitors to Japan) continuing to recover, although consumer spending was weak against general price hikes despite an increase in spending for restaurants and eateries, accommodation, and other face-to-face services. In Malaysia, the real GDP for the second quarter of 2023 rose 2.9% year on year. For the Malaysian economy, this was the lowest growth in almost two years, impacted by sluggish exports and the global economic slowdown.

In the real estate investment market, investors in Japan and abroad remained highly willing to acquire properties, while paying close attention to how the monetary policy of the Bank of Japan (BOJ) and long-term yield would proceed. Although the market is felt overheated differently by asset type and by area, it should become ever more important going forward to discern the profitability of individual properties and timeliness of transactions in consideration of interest trends, etc.

In the J-REIT market, excessive caution over rising interest rates and the sense of uncertainty about the office market gradually dissipated, and, in July 2023, the Tokyo Stock Exchange (TSE) REIT Index recovered to the 1,900-point level based on closing price for the first time in seven months. Subsequently, given the BOJ’s decision at its Monetary Policy Meeting in July to flexibly conduct yield curve control, the market worried about the prospect of higher long-term yields and occasionally showed a weak note. At the end of the 21st fiscal period, the TSE REIT Index stood at 1,877.19 points based on closing price.

(b) Performance

In the 21st fiscal period, AEON REIT continued steady external growth as it acquired 2 properties comprising AEON MALL Wakayama and AEON MALL Miyakonojo Ekimae (total acquisition price: ¥21,300 million) in February 2023 using funds procured through issuance of new investment units as well as through new

debt financing. With the acquisition of these properties, AEON REIT expanded its portfolio size to ¥468.3 billion. Moreover, in order to further solidify the foundation for future external growth, AEON REIT concluded the Pipeline Support Agreement and the Shopping Center Management Agreement with United Super Markets Holdings Inc. in July 2023.

In terms of internal growth, AEON REIT re-installed the flooring of the main entrance and the food court area on the second floor of the facility at AEON Chigasaki-Chuo Shopping Center in order to enhance the functionality of the property. At AEON MALL Morioka, as renovations were being conducted in phases, such as expansion of the area of the sales floor necessary to attract tenants, to accommodate the opening of a new station adjacent to the facility in March 2023, AEON REIT conducted installation of shutters and other work associated with the expanded sections, achieving a rent increase. As such, in coordination with the tenants (master lessees), AEON REIT is promoting investments aimed at reinforcing competitiveness as well as maintaining and enhancing the functions of its properties.

(C) Financing

(a) Issuance of new investment units

AEON REIT conducted additional issuance of new investment units to allocate funds for part of the acquisition of the 2 properties comprising AEON MALL Wakayama and AEON MALL Miyakonojo Ekimae (total acquisition price: ¥21,300 million), with the payment dates set at February 1, 2023, for the issuance of new investment units through public offering (75,700 units) and at February 21, 2023, for the issuance of new investment units through third-party allotment (3,785 units). Accordingly, the total number of investment units issued and outstanding as of the end of the 21st fiscal period ended July 31, 2023, is 2,123,952 units.

(b) Debt financing, etc.

In the 21st fiscal period, AEON REIT conducted debt financing totaling ¥9,300 million on February 1, 2023, to partly fund the acquisition of the 2 properties it acquired in February 2023, and related expenses.

As of July 31, 2023, AEON REIT had a balance of interest-bearing debt totaling ¥188,400 million, with the LTV ratio (the ratio of the balance of interest-bearing debt plus tenant leasehold and security deposits and tenant leasehold and security deposits in trust to total assets held by AEON REIT) standing at 44.8%.

The ratio of long-term interest-bearing debt (the ratio of long-term interest-bearing debt (including the current portion of long-term loans payable) to total interest-bearing debt) was 95.1% as of July 31, 2023. The ratio of fixed-rate debt (the ratio of interest-bearing debt with fixed interest payment (including interest-bearing debt with interest fixed through swaps) to total interest-bearing debt) was 92.8% as of the same date. Together with the abovementioned LTV, these figures indicate that AEON REIT has maintained a sound and conservative financial structure. AEON REIT works to diversify the repayment dates and extend maturities of interest-bearing debt with an aim to further reinforce its financial base.

Furthermore, as of July 31, 2023, AEON REIT had the following credit rating.

<Credit rating>

Credit rating agency	Rating type	Credit rating	Outlook
Japan Credit Rating Agency, Ltd. (JCR)	Long-term issuer rating	AA	Stable

(D) Initiatives on sustainability

AEON REIT is making endeavors for Environment, Social, and Governance (ESG) awareness. It works to reduce environmental burden and coordinate and cooperate with its stakeholders in pursuit of realizing a sustainable society as its corporate social responsibility. In December 2021, AEON Reit Management Co., Ltd. that conducts asset management for AEON REIT identified its materiality (important agendas) and

expressed support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), with an aim to clarify its policy and structure for addressing ESG issues and promote enhanced disclosure of what it is doing in the endeavor.

A variety of initiatives have been recognized by external institutions, as exemplified by AEON REIT obtaining “Five Star” in the GRESB (Global Real Estate Sustainability Benchmark) Real Estate Assessment, which grants rating in five stages based on global ranking of total scores, in October 2022, marking the third consecutive year with the rating. AEON REIT has also received the “Green Star” rating for the seventh consecutive year, evaluated as an excellent participant in both of the Management Component, which measures the entity’s policy and organizational structure for promoting ESG, and the Performance Component, which measures the environmental performance of the entity’s portfolio properties and joint initiatives with tenants, etc.

As for assessment for properties, AEON REIT newly obtained DBJ Green Building Certification for 3 properties in total, comprising AEON MALL Wakayama, AEON MALL Kasai-Hojo and AEON MALL Miyakononojo Ekimae, in the 21st fiscal period. Moreover, AEON REIT re-obtained certifications for 4 properties in total (3 by the DBJ Green Building Certification and 1 by the CASBEE (Comprehensive Assessment System for Built Environment Efficiency) for Real Estate Certification. As of the end of the 21st fiscal period (July 31, 2023), AEON REIT has obtained third-party certifications for 86.8% of its portfolio properties (based on total leasable area), with the DBJ Green Building Certification for 31 properties, BELS certification for 1 property, and CASBEE Certification for Real Estate for 4 properties.

Other than the above, the Asset Manager was certified by the CERTIFIED 2023 Health & Productivity Management Outstanding Organizations Recognition Program (for SMEs) in March 2023, marking the fourth consecutive year with the certification. Both AEON REIT and the Asset Manager will continue to take initiatives on ESG issues in a proactive manner.

(E) Results and cash distribution

As a result of the above operations, AEON REIT posted operating revenue of ¥21,008 million, operating income of ¥7,970 million, ordinary income of ¥7,048 million, and net income of ¥7,047 million for the 21st fiscal period ended July 31, 2023.

As for cash distribution for the 21st fiscal period, distribution per unit came to ¥3,350 as a result of adding ¥65 million in reversal of distribution reserve (the amount obtained by deducting unappropriated retained earnings from the amount obtained by multiplying the forecast cash distribution per unit for the 21st fiscal period, as disclosed in the earnings forecast made in the previous fiscal period, by the total number of investment units issued and outstanding as of the end of the fiscal period) to ¥7,049 million in unappropriated retained earnings.

Furthermore, AEON REIT shall distribute cash in excess of earnings for each fiscal period as a rule pursuant to the policy for cash distribution in excess of earnings as stipulated in Article 35-2 of its Articles of Incorporation. For the 21st fiscal period, however, with ¥440 million in distribution reserve it has provided for securing stable distributions, AEON REIT will not distribute cash in excess of earnings in accordance with Article 136 in the Act on Investment Trusts and Investment Corporations.

ii) Outlook for the next fiscal period

(A) Outlook for overall performance

Looking ahead, the Japanese and Malaysian economies are expected to head for a gradual recovery due to such factors as improvements in the employment and income environments centering on rising wages and an increase in demand from foreign tourists. Attention must be paid, however, to the impact of such factors as rising general prices, concerns about stagnancy in overseas economies, and the fluctuations in the financial and capital markets accompanying the interest rate hikes in Japan and abroad.

Under such circumstances, AEON REIT will endeavor to secure stable rental income on a continuous basis by taking advantage of lease agreements with fixed rents that it employs based on master lease agreements with the AEON Group companies, in which entire individual buildings are leased to them as lessees (master lessees).

On top of this, AEON REIT believes that it is even more necessary to effectively utilize cash on hand in response to changes in the external environment by taking advantage of the capacity to generate cash flows, one of its characteristics, on top of seeking to secure stable earnings over the medium to long term and maintain and enhance its asset value by continuously utilizing the comprehensive strengths of the AEON Group to acquire and manage community infrastructure assets that continue to be supported by local communities.

(B) Future investment policy

(a) Basic policy

AEON REIT aims to secure stable income as well as maintain and enhance asset value over the medium to long term by endeavoring to sustain and improve rent revenue, conduct adequate management and repairs and maintenance measures, and optimize and streamline management costs.

(b) Investment policy and growth strategy

The AEON Group has the comprehensive strength to consistently develop and operate large-scale retail properties and other retail properties of various types. In implementing its growth strategy, AEON REIT seeks for growth of its portfolio over the medium to long term by fully utilizing the comprehensive strengths of the AEON Group.

AEON REIT believes that it can expand its portfolio size, improve the stability of investments, and enhance its financing capabilities by acquiring retail and related properties developed by the AEON Group from the Group, based on the Sponsor Support Agreements, Pipeline Support Agreements and Memorandum of Understanding on Investments in Properties in Malaysia.

Moreover, by improving financing capabilities, it works to acquire more properties, thereby expanding its portfolio size. From the viewpoint of the AEON Group, selling its retail and related properties to AEON REIT allows the Group to use the obtained funds to execute investments for growth (such as development of new stores). Executing such investment for growth should contribute to increased revenue and higher corporate value of the AEON Group, which in turn supports further growth of AEON REIT. By building a mutually beneficial relationship with the AEON Group that creates a virtuous cycle for both entities, as discussed above, AEON REIT aims to maximize unitholder value.

(c) Financial strategy

AEON REIT will maintain a strong financial base while working to control the debt ratio in a conservative manner. In conducting financial operations, it has set the upper limit of its LTV ratio at 60% and works to keep the ratio at around 50% as a rule. To mitigate refinance risk and interest rate fluctuation risk, AEON REIT will consider extending loan maturities and fixing interest rates in an effort to ensure appropriate operations.

iii) Significant events after balance sheet date

Not applicable.

**Assumptions for Forecasts of Performance for the Fiscal Periods Ending
January 2024 (August 1, 2023 – January 31, 2024) and July 2024 (February 1, 2024 – July 31, 2024)**

Item	Assumptions
Accounting period	<ul style="list-style-type: none"> ● Fiscal period ending January 31, 2024 (184 days from August 1, 2023, to January 31, 2024, the 22nd fiscal period) ● Fiscal period ending July 31, 2024 (182 days from February 1, 2024, to July 31, 2024, the 23rd fiscal period)
Portfolio	<ul style="list-style-type: none"> ● The number of investment assets is assumed to be 49 (including AEON MALL SEREMBAN 2 that AEON REIT owns through the Overseas SPC) AEON REIT owns as of September 13, 2023 (hereinafter, the “assets currently held”). ● For the forecasts of performance, it is assumed that, through the end of the 23rd fiscal period ending July 2024, there will be no change (acquisition of new properties or sale of the assets currently held, etc.) in the number of investment assets. ● The actual figure may vary due to acquisition of new properties or disposal of owned properties, etc. not assumed above.
Operating revenue	<ul style="list-style-type: none"> ● Rent revenue – real estate from the assets currently held has been calculated by taking into account such factors as the relevant lease agreements effective as of September 13, 2023, and market trends. Dividends from the Overseas SPC have been calculated based on the assumption that dividends will be received during the fiscal periods ending January 31, 2024 (22nd fiscal period), and ending July 31, 2024 (23rd fiscal period), respectively. Furthermore, the exchange rate of Malaysia is assumed to be Malaysian Ringgit 1 = JPY 28.00. It is assumed that there is no delinquencies or non-payment of rents by tenants.
Operating expenses	<ul style="list-style-type: none"> ● Operating expenses mainly comprise expenses related to rent business. Those expenses, excluding depreciation expenses, are calculated on the basis of historical data and by reflecting variable factors of expenses for the assets currently held. ● Generally, fixed asset taxes, city planning taxes and depreciable asset taxes for the acquired properties are prorated based on the period of ownership with the previous owners and settled. The amount equivalent to such settlement is included in the acquisition costs and therefore not recognized as expenses for the fiscal period in which the acquisition takes place. As for fixed asset taxes, city planning taxes and depreciable asset taxes for the assets currently held, AEON REIT assumes to record ¥2,262 million for the 22nd fiscal period and ¥2,409 million for the 23rd fiscal period as expenses. ● For repairs and maintenance expenses for buildings, amounts assumed to be required in each fiscal period is recorded as expenses, based on the medium- to long-term repair and maintenance plan formulated by the asset management company (AEON Reit Management Co., Ltd.). However, actual repairs and maintenance expenses in each fiscal period may differ substantially from the forecasts, as (i) there is no denying the possibility of repairs and maintenance expenses being incurred urgently due to damages to buildings caused by unforeseeable factors, (ii) generally, incurred expenses differ substantially from one fiscal period to another, and (iii) expenses are not incurred on a regular basis, among other reasons. ● Depreciation of property and equipment is computed by the straight-line method, including related expenses, and is assumed to be ¥5,404 million for the 22nd fiscal period and ¥5,264 million for the 23rd fiscal period.
Non-operating expenses	<ul style="list-style-type: none"> ● Interest expenses and other borrowing-related expenses are assumed to be ¥967 million for the 22nd fiscal period and ¥993 million for the 23rd fiscal period.
Borrowings	<ul style="list-style-type: none"> ● As of September 13, 2023, AEON REIT has interest-bearing debt totaling ¥188,400 million. However, it is assumed that the short-term loans payable (¥9,300 million) borrowed on February 1, 2023, will be refinanced for the same amount on October 20, 2023. ● It is assumed that AEON REIT will refinance ¥20,400 million in borrowings that will mature in the 22nd fiscal period (repayment date: October 20, 2023) for the same amount. ● LTV ratio is anticipated to be approximately 45% as of the end of the 22nd fiscal period (January 31, 2024) and approximately 45% as of the end of the 23rd fiscal period (July 31, 2024). ● LTV is calculated by using the following formula: LTV = Total interest-bearing debt plus tenant leasehold and security deposits (including tenant leasehold and security deposits in trust) / Total assets × 100

Item	Assumptions
Investment units	<ul style="list-style-type: none"> ● Distribution per unit for the 22nd and 23rd fiscal periods is calculated based on the assumption that the total number of investment units issued and outstanding will be 2,123,952 units as of September 13, 2023. Furthermore, it is assumed that there will be no issuance of new investment units through the end of the 23rd fiscal period, without any change in the number of investment units.
Distribution per unit	<ul style="list-style-type: none"> ● Distribution per unit (excluding distribution in excess of retained earnings) has been calculated based on the cash distribution policy prescribed in the Articles of Incorporation of AEON REIT. ● Fluctuations in rent revenue due to changes in the portfolio and tenants, unforeseeable repairs and maintenance incurred and other various factors may lead to changes in the amount of distribution per unit. ● With regard to amortization of fixed-term leasehold rights and asset retirement obligations upon their recording (hereinafter, “amortization of leasehold rights, etc.”), the impact of the amortization of leasehold rights, etc. has become larger due to the acquisition of AEON MALL Shinkomatsu. Accordingly, AEON REIT started recording amortization of leasehold rights, etc. from the 18th fiscal period ended January 2022. These expenses, for which reversal of distribution reserve is assumed, are calculated on the assumption of reversing ¥80 million for the 22nd fiscal period and ¥80 million for the 23rd fiscal period. Furthermore, amortization of leasehold rights, etc. is assumed for AEON MALL Wakayama, which AEON REIT acquired on February 1, 2023, and is included in the calculation of the aforementioned reversal of distribution reserve.
Distribution in excess of retained earnings per unit	<ul style="list-style-type: none"> ● It is assumed that there will be no payment of cash distribution in excess of retained earnings (distribution in excess of retained earnings per unit).
Others	<ul style="list-style-type: none"> ● It is assumed that no revisions that may impact the abovementioned projections will be made to laws and regulations, tax systems, accounting standards, securities listing regulations and the rules of The Investment Trusts Association, Japan, or others. ● It is assumed that no unforeseeable significant changes will occur in general economic trends or conditions in the real estate market, etc.

2. Financial Statements

(1) Balance Sheets

(Unit: Thousands of yen)

	Previous fiscal period (As of January 31, 2023)	Current fiscal period (As of July 31, 2023)
Assets		
Current assets		
Cash and deposits	23,912,320	23,939,480
Cash and deposits in trust	8,947,261	9,121,487
Prepaid expenses	807,615	501,357
Income taxes receivable	20	23
Consumption taxes receivable	—	728,225
Other	95,862	7,433
Total current assets	33,763,079	34,298,007
Non-current assets		
Property and equipment		
Land	108,463	108,463
Buildings in trust	247,059,134	262,286,229
Accumulated depreciation	(70,111,432)	(75,454,775)
Buildings in trust, net	176,947,701	186,831,453
Structures in trust	2,132,787	2,144,674
Accumulated depreciation	(1,330,778)	(1,411,557)
Structures in trust, net	802,009	733,117
Tools, furniture and fixtures in trust	41,408	41,408
Accumulated depreciation	(18,686)	(22,411)
Tools, furniture and fixtures in trust, net	22,721	18,996
Land in trust	141,100,504	148,996,928
Construction in progress in trust	917	—
Total property and equipment	318,982,318	336,688,959
Intangible assets		
Leasehold interests in trust	73,490,733	74,469,416
Total intangible assets	73,490,733	74,469,416
Investments and other assets		
Shares of subsidiaries and associates	6,078,453	6,078,453
Long-term prepaid expenses	787,379	656,645
Lease and guarantee deposits	10,000	10,000
Total investments and other assets	6,875,833	6,745,099
Total non-current assets	399,348,886	417,903,475
Deferred assets		
Investment unit issuance expenses	28,719	48,408
Investment corporation bond issuance costs	255,225	235,763
Total deferred assets	283,945	284,172
Total assets	433,395,910	452,485,655

(Unit: Thousands of yen)

	Previous fiscal period (As of January 31, 2023)	Current fiscal period (As of July 31, 2023)
Liabilities		
Current liabilities		
Operating accounts payable	1,436,040	1,009,143
Short-term loans payable	—	9,300,000
Current portion of long-term loans payable	20,400,000	20,400,000
Accounts payable - other	474,250	499,196
Accrued expenses	109,239	108,934
Income taxes payable	605	605
Accrued consumption taxes	608,287	—
Provision for loss on disaster	48,032	—
Other	200,080	196,145
Total current liabilities	23,276,535	31,514,025
Non-current liabilities		
Investment corporation bond	51,000,000	51,000,000
Long-term loans payable	107,700,000	107,700,000
Tenant leasehold and security deposits	2,628	2,628
Tenant leasehold and security deposits in trust	14,320,296	14,320,296
Asset retirement obligations	457,977	555,835
Total non-current liabilities	173,480,903	173,578,760
Total liabilities	196,757,438	205,092,785
Net assets		
Unitholders' equity		
Unitholders' capital	233,010,081	243,428,896
Deduction from unitholders' capital		
Other deduction from unitholders' capital	(3,525,697)	(3,525,697)
Total deduction from unitholders' capital	(3,525,697)	(3,525,697)
Unitholders' capital, net	229,484,384	239,903,198
Surplus		
Voluntary reserve		
Distribution reserve	429,190	440,101
Total voluntary reserve	429,190	440,101
Unappropriated retained earnings (undisposed loss)	6,724,896	7,049,570
Total surplus	7,154,087	7,489,671
Total unitholders' equity	236,638,471	247,392,870
Total net assets	*1 236,638,471	*1 247,392,870
Total liabilities and net assets	433,395,910	452,485,655

(2) Statements of Income

	(Unit: Thousands of yen)	
	Previous fiscal period (From August 1, 2022, to January 31, 2023)	Current fiscal period (From February 1, 2023, to July 31, 2023)
Operating revenue		
Rent revenue - real estate	*1 19,826,986	*1 20,844,445
Dividends received	*2 160,496	*2 163,870
Total operating revenue	19,987,482	21,008,316
Operating expenses		
Expenses related to rent business	*1 11,217,082	*1 11,870,427
Asset management fee	928,873	938,765
Asset custody fee	22,176	23,053
Administrative service fees	62,358	64,543
Directors' compensation	5,400	5,400
Taxes and dues	8,754	6,270
Other operating expenses	122,460	128,994
Total operating expenses	12,367,105	13,037,455
Operating income	7,620,377	7,970,860
Non-operating income		
Interest income	132	152
Refund of unpaid distributions	1,035	878
Foreign exchange gains	—	120
Total non-operating income	1,168	1,151
Non-operating expenses		
Interest expenses	500,535	515,866
Interest expenses on investment corporation bonds	217,999	215,139
Amortization of investment unit issuance expenses	10,625	15,425
Amortization of investment corporation bond issuance costs	19,461	19,461
Borrowing related expenses	158,491	157,944
Other	580	—
Total non-operating expenses	907,693	923,837
Ordinary income	6,713,852	7,048,174
Extraordinary income		
Insurance income	*3 76,335	—
Total extraordinary income	76,335	—
Extraordinary losses		
Loss on disaster	*4 23,879	—
Provision for loss on disaster	*4 41,545	—
Total extraordinary losses	65,424	—
Income (loss) before income taxes	6,724,762	7,048,174
Income taxes - current	605	605
Total income taxes	605	605
Net income (loss)	6,724,157	7,047,569
Retained earnings brought forward	738	2,000
Unappropriated retained earnings (undisposed loss)	6,724,896	7,049,570

(3) Statements of Unitholders' Equity

Previous fiscal period (From August 1, 2022, to January 31, 2023)

(Unit: Thousands of yen)

	Unitholders' equity					
	Unitholders' capital	Deduction from unitholders' capital		Unitholders' capital, net	Surplus	
		Other deduction from unitholders' capital	Total deduction from unitholders' capital		Voluntary reserve	
					Distribution reserve	Total voluntary reserve
Balance at beginning of current period	233,010,081	(3,525,697)	(3,525,697)	229,484,384	233,577	233,577
Changes of items during period						
Provision of distribution reserve					195,612	195,612
Dividends of surplus						
Net income						
Total changes of items during period	—	—	—	—	195,612	195,612
Balance at end of current period	*1 233,010,081	(3,525,697)	(3,525,697)	229,484,384	429,190	429,190

	Unitholders' equity			Total net assets
	Surplus		Total unitholders' equity	
	Unappropriated retained earnings (undisposed loss)	Total surplus		
Balance at beginning of current period	6,889,936	7,123,514	236,607,898	236,607,898
Changes of items during period				
Provision of distribution reserve	(195,612)			
Dividends of surplus	(6,693,584)	(6,693,584)	(6,693,584)	(6,693,584)
Net income	6,724,157	6,724,157	6,724,157	6,724,157
Total changes of items during period	(165,039)	30,572	30,572	30,572
Balance at end of current period	6,724,896	7,154,087	236,638,471	236,638,471

Current fiscal period (From February 1, 2023, to July 31, 2023)

(Unit: Thousands of yen)

	Unitholders' equity					
	Unitholders' capital	Deduction from unitholders' capital		Unitholders' capital, net	Surplus	
		Other deduction from unitholders' capital	Total deduction from unitholders' capital		Voluntary reserve	
					Distribution reserve	Total voluntary reserve
Balance at beginning of current period	233,010,081	(3,525,697)	(3,525,697)	229,484,384	429,190	429,190
Changes of items during period						
Issuance of new investment units	10,418,814			10,418,814		
Provision of distribution reserve					10,910	10,910
Dividends of surplus						
Net income						
Total changes of items during period	10,418,814	—	—	10,418,814	10,910	10,910
Balance at end of current period	*1 243,428,896	(3,525,697)	(3,525,697)	239,903,198	440,101	440,101

	Unitholders' equity			Total net assets
	Surplus		Total unitholders' equity	
	Unappropriated retained earnings (undisposed loss)	Total surplus		
Balance at beginning of current period	6,724,896	7,154,087	236,638,471	236,638,471
Changes of items during period				
Issuance of new investment units			10,418,814	10,418,814
Provision of distribution reserve	(10,910)			
Dividends of surplus	(6,711,985)	(6,711,985)	(6,711,985)	(6,711,985)
Net income	7,047,569	7,047,569	7,047,569	7,047,569
Total changes of items during period	324,673	335,584	10,754,398	10,754,398
Balance at end of current period	7,049,570	7,489,671	247,392,870	247,392,870

(4) Statements of Cash Distributions

(Unit: Yen)

	Previous fiscal period (From August 1, 2022, to January 31, 2023)	Current fiscal period (From February 1, 2023, to July 31, 2023)
I Unappropriated retained earnings (undisposed loss)	6,724,896,684	7,049,570,000
II Reversal of voluntary reserve		
Reversal of distribution reserve	-	65,669,200
III Total cash distributions	6,711,985,161	7,115,239,200
[Distribution per unit]	[3,283]	[3,350]
IV Voluntary reserve		
Provision of distribution reserve	10,910,714	-
V Retained earnings brought forward	2,000,809	-
Calculation method for distributions	<p>Pursuant to the policy for cash distribution set forth in Article 35, paragraph 1 of the Articles of Incorporation of AEON REIT, distributions shall be limited to the amount within profits, and also the amount of earnings in excess of an amount equivalent to ninety hundredths (90/100) of distributable profits, as stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation. In consideration of this policy, AEON REIT will pay distributions of profits at the total amount of ¥6,711,985,161, which is obtained by deducting ¥10,910,714 in provision of distribution reserve (the amount obtained by deducting the extraordinary losses comprising loss on disaster from the extraordinary income comprising insurance income for disasters) from ¥6,724,896,684 in unappropriated retained earnings and which is the amount that does not exceed this calculated amount and is the greatest value among integral multiples of 2,044,467, which is the total number of investment units issued and outstanding. Furthermore, AEON REIT shall distribute cash in excess of earnings for each fiscal period as a rule pursuant to the policy for cash distribution in excess of earnings as stipulated in Article 35-2 of its Articles of Incorporation. For the 20th fiscal period, however, with ¥429,190,448 in distribution reserve it has provided for securing stable distributions, AEON REIT will not distribute cash in excess of earnings in accordance with Article 136 in the Act on Investment Trusts and Investment Corporations.</p>	<p>Pursuant to the policy for cash distribution set forth in Article 35, paragraph 1 of the Articles of Incorporation of AEON REIT, distributions shall be limited to the amount within profits, and also the amount of earnings in excess of an amount equivalent to ninety hundredths (90/100) of distributable profits, as stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation. In consideration of this policy, AEON REIT will pay distributions of profits at the total amount of ¥7,115,239,200, which is obtained by adding ¥65,669,200 in reversal of distribution reserve to ¥7,049,570,000 in unappropriated retained earnings and which is the amount that does not exceed this calculated amount and is the greatest value among integral multiples of 2,123,952, which is the total number of investment units issued and outstanding. Furthermore, AEON REIT shall distribute cash in excess of earnings for each fiscal period as a rule pursuant to the policy for cash distribution in excess of earnings as stipulated in Article 35-2 of its Articles of Incorporation. For the 21st fiscal period, however, with ¥440,101,162 in distribution reserve it has provided for securing stable distributions, AEON REIT will not distribute cash in excess of earnings in accordance with Article 136 in the Act on Investment Trusts and Investment Corporations.</p>

(5) Statements of Cash Flows

(Unit: Thousands of yen)

	Previous fiscal period (From August 1, 2022, to January 31, 2023)	Current fiscal period (From February 1, 2023, to July 31, 2023)
Cash flows from operating activities		
Income before income taxes	6,724,762	7,048,174
Depreciation	5,167,847	5,502,443
Amortization of investment corporation bond issuance costs	19,461	19,461
Amortization of investment unit issuance expenses	10,625	15,425
Interest income	(132)	(152)
Interest expenses	718,535	731,006
Insurance income	(76,335)	–
Loss on disaster	23,879	–
Increase (decrease) in provision for loss on disaster	10,947	(48,032)
(Increase) in consumption taxes receivable	–	(728,225)
(Decrease) in accrued consumption taxes	(864,791)	(608,287)
(Increase) decrease in prepaid expenses	(359,058)	306,257
(Decrease) in operating accounts payable	(38,103)	(277,482)
Increase in accounts payable - other	1,651	24,946
(Increase) decrease in long-term prepaid expenses	(36,530)	130,734
Other, net	(17,160)	19,934
Subtotal	11,285,596	12,136,204
Interest income received	132	152
Interest expenses paid	(715,396)	(731,311)
Proceeds from insurance income	647,103	63,137
Payments for loss on disaster	(565,312)	(12,942)
Income taxes paid	(606)	(608)
Net cash provided by operating activities	10,651,516	11,454,632
Cash flows from investing activities		
Purchase of property and equipment in trust	(1,402,022)	(23,175,373)
Purchase of intangible assets in trust	–	(1,051,009)
Proceeds from refund of leasehold and security deposits	460	–
Net cash used in investing activities	(1,401,562)	(24,226,382)
Cash flows from financing activities		
Proceeds from short-term loans payable	–	9,300,000
Proceeds from long-term loans payable	20,800,000	–
Repayments of long-term loans payable	(20,800,000)	–
Proceeds from issuance of investment units	–	10,383,699
Dividends paid	(6,692,852)	(6,710,442)
Net cash provided by (used in) financing activities	(6,692,852)	12,973,257
Effect of exchange rate change on cash and cash equivalents	579	(121)
Net increase in cash and cash equivalents	2,557,681	201,385
Cash and cash equivalents at beginning of period	30,301,900	32,859,581
Cash and cash equivalents at end of period	*1 32,859,581	*1 33,060,967

(6) Notes on Assumption of Going Concern

Not applicable.

(7) Notes on Significant Accounting Policies

1. Valuation standard and method for securities	Securities Shares of subsidiaries and associates Shares issued by an overseas real estate holding corporation, as set forth in Article 221-2-1 of the Ordinance for Enforcement of the Act on Investment Trusts and Investment Corporations, are stated utilizing the moving-average cost method.
2. Method of depreciation of non-current assets	(1) Property and equipment Depreciation of property and equipment is computed by the straight-line method over the following useful lives: Buildings in trust 3 to 51 years Structures in trust 3 to 35 years Tools, furniture and fixtures in trust 5 to 6 years (2) Intangible assets Intangible assets are amortized by the straight-line method. The useful lives of intangible assets are as follows: Leasehold interests in trust 38 to 46 years (3) Long-term prepaid expenses Long-term prepaid expenses are amortized by the straight-line method.
3. Accounting method for deferred assets	(1) Investment unit issuance expenses Investment unit issuance expenses are capitalized and amortized by the straight-line method over three years. (2) Investment corporation bond issuance costs Investment corporation bond issuance costs are capitalized and amortized by the straight-line method over the respective terms of the investment corporation bonds.
4. Standards for recognition of allowances	Provision for loss on disaster Of the expenses for restoration work for the properties that were damaged by Typhoon Nanmadol, the amount that was reasonably estimated as of the end of the fiscal period ended January 31, 2023, was recorded as allowance for loss on disaster.
5. Conversion of assets and liabilities in foreign currency into Japanese yen	Receivables and payables denominated in foreign currencies are translated into yen at the exchange rate in effect at the balance sheet date, and differences arising from the translation are included in the statements of income.

<p>6. Recognition of revenue and expenses</p>	<p>(1) Standards for revenue recognition</p> <p>The details of main performance obligations concerning revenue generated from contracts between AEON REIT and its customers and the ordinary time to fulfil said performance obligations (ordinary time to recognize revenue) are as follows.</p> <p>Utilities income</p> <p>AEON REIT recognizes utilities income in accordance with the supply of water, etc. to the lessee who is a customer based on the lease agreement of real estate and details of agreements incidental to it. Of the utilities income, in the case that AEON REIT deems itself to be an agent, the net amount obtained by deducting the amount it pays to other parties from the amount it receives as charges for water, etc. supplied by the said other parties is recognized as revenue.</p> <p>(2) Property-related taxes</p> <p>For fixed asset tax, city planning tax, depreciable asset tax, etc., for real properties held, the amount of tax levied corresponding to the calculation period is recorded as expenses related to rent business.</p> <p>The amount equivalent to property-related taxes to be paid by AEON REIT in the first year for acquisition of real properties or trust beneficiary rights in real estate is not recorded as expenses but included in the acquisition costs for the related properties.</p> <p>In the current fiscal period, the amount equivalent to property-related taxes included in the acquisition costs for the related real properties was ¥272,587 thousand, and in the previous fiscal period, the amount equivalent to property-related taxes included in the acquisition costs for the related real properties was ¥54 thousand.</p>
<p>7. Method of hedge accounting</p>	<p>(1) Method of hedge accounting</p> <p>Special treatment is applied for interest rate swaps.</p> <p>(2) Hedging instruments and hedged items</p> <p>Hedging instruments: Interest rate swap transactions</p> <p>Hedged items: Interest on borrowings</p> <p>(3) Hedging policy</p> <p>AEON REIT conducts derivative transactions for the purpose of hedging risks provided for in the Articles of Incorporation of AEON REIT pursuant to the regulations that stipulate the basic policy of risk management.</p> <p>(4) Method of assessing hedge effectiveness</p> <p>The assessment of hedge effectiveness is omitted since the interest rate swaps satisfy the requirements for special treatment.</p>
<p>8. Scope of cash and cash equivalents in the statement of cash flows</p>	<p>Cash and cash equivalents in the statement of cash flows consist of cash on hand, cash in trust, demand deposits, deposits in trust, and highly liquid short-term investments that are readily convertible, bear little risk in price fluctuations, and mature within three months of the date of acquisition.</p>

9. Other significant matters that serve as the basis for preparation of financial statements	<p>(1) Accounting policy for trust beneficiary rights in real estate, etc.</p> <p>With regard to trust beneficiary rights in real estate, etc., all assets and liabilities as well as all revenue and expense items associated with all trust assets are accounted for under the respective account items of the balance sheets and statements of income.</p> <p>Of the trust assets accounted for under the respective account items, the following items with significance are separately indicated on the balance sheets:</p> <ul style="list-style-type: none"> i) Cash and deposits in trust ii) Buildings in trust, structures in trust, tools, furniture and fixtures in trust, land in trust and construction in progress in trust iii) Leasehold interests in trust iv) Tenant leasehold and security deposits in trust <p>(2) Accounting policy for non-deductible consumption taxes</p> <p>National and local consumption taxes are accounted for by the tax-exclusion method.</p>
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(8) Notes on Significant Accounting Estimates

Previous fiscal period (From August 1, 2022, to January 31, 2023)

Impairment Losses of Non-Current Assets

1. Balance of subject assets

	(Unit: Thousands of yen)
Impairment losses	Not applicable
Property and equipment	318,982,318
Intangible assets	73,490,733

2. Information on the nature of significant accounting estimates for identified items

In accordance with Accounting Standard for Impairment of Fixed Assets, AEON REIT has adopted the accounting treatment to reduce the book value of non-current assets to a recoverable amount when the invested amount is deemed to be unrecoverable due to decline in profitability.

In adopting the accounting treatment, each property owned by AEON REIT is regarded as a single asset group, and AEON REIT determines whether it is required to recognize impairment losses when indications of impairment for the group are deemed to exist due to continued operating losses, significant declines in the market prices, and significant deterioration of business environment, etc.

Future cash flow estimates are used to determine whether or not to recognize impairment losses. When it is determined that impairment losses should be recognized, the book value is reduced to the recoverable amount that is based on real estate appraisal value, etc. prepared by third-parties, and the reduced amount is recorded as impairment losses.

In estimating the future cash flow, such items as rent, vacancy period, occupancy rate, expenses related to rent business, property ownership period, capital expenditures and discount rate for estimating the recoverable amount are determined by comprehensively considering the market trends and transaction cases of similar properties, etc. in reference to information from outside experts, including figures set forth in real estate appraisal.

The performance and the market price of each property may be affected by the trends in the real estate rental market and real estate transaction market. Accordingly, any change in the assumptions used for the estimates may affect AEON REIT's assets and profit and loss in the following fiscal period.

Current fiscal period (From February 1, 2023, to July 31, 2023)

Impairment Losses of Non-Current Assets

1. Balance of subject assets

	(Unit: Thousands of yen)
Impairment losses	Not applicable
Property and equipment	336,688,959
Intangible assets	74,469,416

2. Information on the nature of significant accounting estimates for identified items

In accordance with Accounting Standard for Impairment of Fixed Assets, AEON REIT has adopted the accounting treatment to reduce the book value of non-current assets to a recoverable amount when the invested amount is deemed to be unrecoverable due to decline in profitability.

In adopting the accounting treatment, each property owned by AEON REIT is regarded as a single asset group, and AEON REIT determines whether it is required to recognize impairment losses when indications of impairment for the group are deemed to exist due to continued operating losses, significant declines in the market prices, and significant deterioration of business environment, etc.

Future cash flow estimates are used to determine whether or not to recognize impairment losses. When it is determined that impairment losses should be recognized, the book value is reduced to the recoverable amount that is based on real estate appraisal value, etc. prepared by third-parties, and the reduced amount is recorded as impairment losses.

In estimating the future cash flow, such items as rent, vacancy period, occupancy rate, expenses related to rent business, property ownership period, capital expenditures and discount rate for estimating the recoverable amount are determined by comprehensively considering the market trends and transaction cases of similar properties, etc. in reference to information from outside experts, including figures set forth in real estate appraisal.

The performance and the market price of each property may be affected by the trends in the real estate rental market and real estate transaction market. Accordingly, any change in the assumptions used for the estimates may affect AEON REIT's assets and profit and loss in the following fiscal period.

(9) Notes to Financial Statements

Notes to Balance Sheets

		(Unit: Thousands of yen)	
Previous fiscal period (As of January 31, 2023)		Current fiscal period (As of July 31, 2023)	
*1. Minimum net assets as provided in Article 67, paragraph 4 of the Act on Investment Trusts and Investment Corporations	50,000	*1. Minimum net assets as provided in Article 67, paragraph 4 of the Act on Investment Trusts and Investment Corporations	50,000

Notes to Statements of Income

*1. Breakdown of revenues and expenses related to real estate leasing business

Previous fiscal period (From August 1, 2022, to January 31, 2023)	
(Unit: Thousands of yen)	
<hr/>	
A. Revenues related to real estate leasing business	
Rent revenue - real estate	
Rent	19,771,845
Other rent revenue - real estate	55,140
Total revenues related to real estate leasing business	<hr/> 19,826,986
<hr/>	
B. Expenses related to real estate leasing business	
Expenses related to rent business	
Property and facility management fees	49,401
Repairs and maintenance expenses	808,009
Insurance expenses	260,085
Trust fees	24,768
Land rent paid	2,596,579
Taxes and dues	2,259,425
Depreciation	5,167,847
Water charges	43,679
Other expenses related to rent business	7,285
Total expenses related to real estate leasing business	<hr/> 11,217,082
<hr/>	
C. Operating income from real estate leasing business (A – B)	8,609,904
<hr/>	
Current fiscal period (From February 1, 2023, to July 31, 2023)	
(Unit: Thousands of yen)	
<hr/>	
A. Revenues related to real estate leasing business	
Rent revenue - real estate	
Rent	20,768,288
Other rent revenue - real estate	76,156
Total revenues related to real estate leasing business	<hr/> 20,844,445
<hr/>	
B. Expenses related to real estate leasing business	
Expenses related to rent business	
Property and facility management fees	51,139
Repairs and maintenance expenses	931,978
Insurance expenses	309,562
Trust fees	25,271
Land rent paid	2,740,708
Taxes and dues	2,262,558
Depreciation	5,502,443
Water charges	37,876
Other expenses related to rent business	8,888
Total expenses related to real estate leasing business	<hr/> 11,870,427
<hr/>	
C. Operating income from real estate leasing business (A – B)	8,974,017
<hr/>	

*2. Breakdown of dividends received

Previous fiscal period (From August 1, 2022, to January 31, 2023)

The entire amount of the maximum distributable amount (RM 5,253,852 (¥160,496 thousand) based on the results of the fiscal period ended July 2022 of JAMBATAN MANSEIBASHI (M) Sdn. Bhd. was paid to AEON REIT as dividends (Note 3), which were calculated on the following basis.

Items of statements of income of JAMBATAN MANSEIBASHI (M) Sdn. Bhd. and the basis of calculating dividends (from February 1, 2022, to July 31, 2022)

(Unit: RM (Thousands of yen))

Revenues related to real estate leasing business	7,752,142	(227,602)
Expenses related to real estate leasing business	643,043	(18,879)
Other expenses	133,949	(3,932)
Unrealized gain from valuation of investment properties	-	(-)
Net income before income taxes	6,975,150	(204,790)
Net income before income taxes after deducting unrealized gain	6,975,150	(204,790)
Corporate income taxes on net income before income taxes after deducting unrealized gain	1,721,298	(50,537)
Maximum distributable amount (Note 3)	5,253,852	(160,496)
Dividends (Note 3)	5,253,852	(160,496)

(Note 1) The table above is based on the accounting standards of Malaysia (equivalent to IFRS), although disclosure is not based on the Malaysian standards.

(Note 2) For the exchange rate, the period-average exchange rate (RM 1 = JPY 29.36 (rounded down to the second decimal place)) is used.

(Note 3) Maximum distributable amount and dividends are converted to the yen value by using the forward exchange rate on December 1, 2022, of RM 1 = JPY 30.54 (rounded down to the second decimal place).

Current fiscal period (From February 1, 2023, to July 31, 2023)

The entire amount of the maximum distributable amount (RM 5,479,843 (¥163,870 thousand) based on the results of the fiscal period ended January 2023 of JAMBATAN MANSEIBASHI (M) Sdn. Bhd. was paid to AEON REIT as dividends (Note 3), which were calculated on the following basis.

Items of statements of income of JAMBATAN MANSEIBASHI (M) Sdn. Bhd. and the basis of calculating dividends (from August 1, 2022, to January 31, 2023)

(Unit: RM (Thousands of yen))

Revenues related to real estate leasing business	8,008,432	(246,739)
Expenses related to real estate leasing business	640,893	(19,745)
Other expenses	103,869	(3,200)
Unrealized gain from valuation of investment properties	4,000,000	(123,240)
Net income before income taxes	11,263,670	(347,033)
Net income before income taxes after deducting unrealized gain	7,263,670	(223,793)
Corporate income taxes on net income before income taxes after deducting unrealized gain	1,783,827	(54,959)
Maximum distributable amount (Note 3)	5,479,843	(163,870)
Dividends (Note 3)	5,479,843	(163,870)

(Note 1) The table above is based on the accounting standards of Malaysia (equivalent to IFRS), although disclosure is not based on the Malaysian standards.

(Note 2) For the exchange rate, the period-average exchange rate (RM 1 = JPY 30.81 (rounded down to the second decimal place)) is used.

(Note 3) Maximum distributable amount and dividends are converted to the yen value by using the forward exchange rate on June 1, 2023, of RM 1 = JPY 29.90 (rounded down to the second decimal place).

*3. Breakdown of extraordinary income

Previous fiscal period (From August 1, 2022, to January 31, 2023)

AEON REIT recorded ¥76,335 thousand in insurance income for the assets damaged by Typhoon Nanmadol.

Current fiscal period (From February 1, 2023, to July 31, 2023)

Not applicable.

*4. Breakdown of extraordinary losses

Previous fiscal period (From August 1, 2022, to January 31, 2023)

1) Loss on disaster

Losses related to the assets damaged by Typhoon Nanmadol (expenses for restoration work) were recognized as loss on disaster (¥23,879 thousand).

2) Provision for loss on disaster

With regard to the assets damaged by Typhoon Nanmadol, expenses for restoration work that were reasonably estimated as of the end of the fiscal period ended January 31, 2023 (¥41,545 thousand) were recorded as provision of allowance for loss on disaster.

Current fiscal period (From February 1, 2023, to July 31, 2023)

Not applicable.

Notes to Statements of Unitholders' Equity

*1. Total number of authorized investment units and total number of investment units issued and outstanding

	Previous fiscal period (From August 1, 2022, to January 31, 2023)	Current fiscal period (From February 1, 2023, to July 31, 2023)
Total number of authorized investment units	10,000,000 units	10,000,000 units
Total number of investment units issued and outstanding	2,044,467 units	2,123,952 units

Notes to Statements of Cash Flows

*1. Reconciliation between cash and cash equivalents at end of period and relevant amount on the balance sheets

	Previous fiscal period (From August 1, 2022, to January 31, 2023)	Current fiscal period (From February 1, 2023, to July 31, 2023)
Cash and deposits	23,912,320	23,939,480
Cash and deposits in trust	8,947,261	9,121,487
Cash and cash equivalents	32,859,581	33,060,967

Financial Instruments

1. Matters regarding financial instruments

(1) Policy for financial instruments

AEON REIT seeks as its basic policy to execute a stable, flexible and efficient financial strategy, and procures funds by borrowing, issuing investment corporation bonds (including short-term investment corporation bonds; the same shall apply hereafter), or issuing investment units for purposes including portfolio growth through property acquisitions.

Derivative transactions are carried out only to hedge the risk of fluctuations in interest rates associated with borrowings, exchange rate fluctuation risks associated with operating receivables or obligations in foreign currency, and other risks.

(2) Content and risks of financial instruments and risk management system

Proceeds from loans payable and investment corporation bonds are used mainly for the purpose of acquiring real estate and trust beneficiary rights in real estate.

Tenant leasehold and security deposits in trust are deposits provided by tenants under lease agreements.

Loans payable with floating interest rates are exposed to the risk of fluctuations in interest rates. However, by appropriately managing the debt ratio, etc., it is possible to limit the impact of a rise in market interest rates on the operations of AEON REIT. Furthermore, these risks are managed through derivative transactions (interest rate swaps) as hedging instruments in certain floating-rate loans payable in order to fix interest rate payments and hedge the risk of fluctuations in interest rates. The hedge effectiveness of the interest rate swaps is assessed, by comparing the cumulative changes in the cash flows of the hedging instruments and the hedged items and based on the respective amount of changes; provided, however, that the assessment of hedge effectiveness be omitted for those interest rate swaps that meet the criteria for exceptional treatment.

Derivative transactions are conducted and managed in accordance with the internal regulations that specify the basic policy for risk management.

Loans payable, investment corporation bonds and tenant leasehold and security deposits in trust are exposed to liquidity risks. However, AEON REIT manages these risks through preparing monthly financing plans, maintaining liquidity on hand, and other means by the Asset Manager.

Operating receivables denominated in foreign currencies associated with the acquisition of overseas properties are exposed to the risk of fluctuations in exchange rates. However, since the percentage of these receivables to total assets is low, they are handled under a system in which the Asset Manager monitors the risk and examines the necessity of hedging it with the use of derivative transactions such as forward foreign exchange contract transactions.

AEON REIT may be engaged in foreign currency denominated transactions in connection with investments in overseas real estate, etc. Such transactions carry the risk of fluctuations in exchange rates, and exchange rate fluctuations may negatively affect AEON REIT's earnings. If the yen is increasingly appreciated against other currencies, the yen-value of foreign currency denominated transactions that arise in connection with investments in overseas real estate, etc. may be diminished to negatively impact AEON REIT's net income for the relevant fiscal period.

Moreover, if there are foreign denominated assets and liabilities in connection with investments in overseas real estate, etc., certain accounts of these assets and liabilities will be converted into yen at the exchange rates prevailing on the closing date for the preparation of financial statements. Due to exchange rate fluctuations, these accounts may negatively affect AEON REIT's net income.

(3) Supplementary explanations on fair value, etc. of financial instruments

The fair values of financial instruments include values based on market prices or, for shares, etc. for which there are no market prices available, reasonably calculated values. As certain assumptions are used in calculating these values, if different assumptions, etc., are used, these values could vary.

2. Matters regarding fair value, etc. of financial instruments

Balance sheet carrying amounts, fair values, and the difference between the two values are as shown below. Stocks, etc. with no market price are not included in the table below ^(Note 2). Notes on "Cash and deposits," "Cash and deposits in trust" and "Short-term loans payable" are omitted as they are cash and short-term settlements and their fair values approximate their carrying amounts. Notes on "Tenant leasehold and security deposits" and "Tenant leasehold and security deposits in trust" are also omitted due to immateriality.

Previous fiscal period (as of January 31, 2023)

(Unit: Thousands of yen)			
	Balance sheet carrying amount	Fair value	Difference
(1) Current portion of long-term loans payable	20,400,000	20,489,029	89,029
(2) Investment corporation bonds	51,000,000	49,133,500	(1,866,500)
(3) Long-term loans payable	107,700,000	107,145,959	(554,040)
Total liabilities	179,100,000	176,768,488	(2,331,511)
(4) Derivative transactions	-	-	-

Current fiscal period (as of July 31, 2023)

(Unit: Thousands of yen)			
	Balance sheet carrying amount	Fair value	Difference
(1) Current portion of long-term loans payable	20,400,000	20,429,930	29,930
(2) Investment corporation bonds	51,000,000	49,478,700	(1,521,300)
(3) Long-term loans payable	107,700,000	107,798,535	98,535
Total liabilities	179,100,000	177,707,165	(1,392,834)
(4) Derivative transactions	-	-	-

(Note 1) Measurement of fair values of financial instruments

(1) Current portion of long-term loans payable, (3) Long-term loans payable

Because the interest rates of long-term loans payable with floating interest rates are to be revised periodically and thus their fair value is almost the same as the book value, the book value is used as the fair value of these liabilities. The fair value of long-term loans payable carrying fixed interest rates is calculated by discounting the total of principal and interest at the rate assumed when a new, similar loan corresponding to the remaining period is made. The fair value for interest rate swaps, to which special treatment is applied, is included in the fair value of long-term loans payable, a hedged item.

(2) Investment corporation bonds

The fair value of investment corporation bonds is based on the reference price disclosed by the Japan Securities Dealers Association.

(4) Derivative transactions

Please refer to "Derivative Transactions" described later.

(Note 2) Financial instruments for which there are no market prices

(Unit: Thousands of yen)		
	Previous fiscal period (as of January 31, 2023)	Current fiscal period (as of July 31, 2023)
Shares of subsidiaries and associates	6,078,453	6,078,453

Shares of subsidiaries and associates are not subject to fair value disclosure pursuant to Paragraph 5 of the Implementation Guidance on Disclosures about Fair Value of Financial Instruments.

(Note 3) Expected amount of repayments of investment corporation bonds and loans payable after balance sheet date

Previous fiscal period (as of January 31, 2023)

(Unit: Thousands of yen)

	Due in 1 year or less	Due after 1 year through 2 years	Due after 2 years through 3 years	Due after 3 years through 4 years	Due after 4 years through 5 years	Due after 5 years
Current portion of long-term loans payable	20,400,000	–	–	–	–	–
Investment corporation bonds	–	–	2,000,000	1,000,000	2,000,000	46,000,000
Long-term loans payable	–	19,500,000	22,200,000	20,400,000	20,300,000	25,300,000
Total	20,400,000	19,500,000	24,200,000	21,400,000	22,300,000	71,300,000

Current fiscal period (as of July 31, 2023)

(Unit: Thousands of yen)

	Due in 1 year or less	Due after 1 year through 2 years	Due after 2 years through 3 years	Due after 3 years through 4 years	Due after 4 years through 5 years	Due after 5 years
Current portion of long-term loans payable	20,400,000	–	–	–	–	–
Investment corporation bonds	–	–	2,000,000	1,000,000	2,000,000	46,000,000
Long-term loans payable	–	19,500,000	22,200,000	20,400,000	20,300,000	25,300,000
Total	20,400,000	19,500,000	24,200,000	21,400,000	22,300,000	71,300,000

Derivative Transactions

1. Derivative transactions not applying hedge accounting

Previous fiscal period (as of January 31, 2023)

Not applicable.

Current fiscal period (as of July 31, 2023)

Not applicable.

2. Derivative transactions applying hedge accounting

The following table shows the contracted amount or principal amount equivalent or the like set forth in the contract as of the balance sheet date for each hedge accounting method.

Previous fiscal period (as of January 31, 2023)

(Unit: Thousands of yen)

Method of hedge accounting	Type of derivative transaction	Major hedged item	Contract amount		Fair value	Measurement method for fair value
				Portion due after 1 year		
Exceptional treatment for hedge accounting of interest rate swaps	Interest rate swap transaction Payment: fixed interest rate Receipt: floating interest rate	Long-term loans payable	123,200,000	103,500,000	(Note)	—

(Note) Fair value of interest rate swap with the exceptional treatment is included in fair value of “(3) Long-term loans payable” in “Financial Instruments, 2. Matters regarding fair value, etc., of financial instruments” described above, as it is processed as a single unit with the hedged long-term loans payable.

Current fiscal period (as of July 31, 2023)

(Unit: Thousands of yen)

Method of hedge accounting	Type of derivative transaction	Major hedged item	Contract amount		Fair value	Measurement method for fair value
				Portion due after 1 year		
Exceptional treatment for hedge accounting of interest rate swaps	Interest rate swap transaction Payment: fixed interest rate Receipt: floating interest rate	Long-term loans payable	123,200,000	103,500,000	(Note)	—

(Note) Fair value of interest rate swap with the exceptional treatment is included in fair value of “(3) Long-term loans payable” in “Financial Instruments, 2. Matters regarding fair value, etc., of financial instruments” described above, as it is processed as a single unit with the hedged long-term loans payable.

Tax Effect Accounting

1. Significant components of deferred tax assets and liabilities

	(Unit: Thousands of yen)	
	Previous fiscal period (As of January 31, 2023)	Current fiscal period (As of July 31, 2023)
Deferred tax assets		
Asset retirement obligations	144,079	174,865
Amortization of leasehold interests	76,337	99,092
Tax loss carried forward (Note)	142,610	137,363
Subtotal of deferred tax assets	363,027	411,321
Valuation reserve	(233,568)	(253,673)
Total deferred tax assets	129,459	157,648
Deferred tax liabilities		
Property and equipment corresponding to the asset retirement obligations	(129,459)	(157,648)
Total deferred tax liabilities	(129,459)	(157,648)
Net deferred tax assets	-	-

(Note) For the tax loss carried forward and the amount of the deferred tax assets by carry-forward period, please refer to "3. Tax loss carried forward and amount of deferred tax assets by carry-forward period."

2. Reconciliation of significant difference between the normal effective statutory tax rate and the actual effective tax rate after application of tax effect accounting

	(Unit: %)	
	Previous fiscal period (As of January 31, 2023)	Current fiscal period (As of July 31, 2023)
Normal effective statutory tax rate	31.46	31.46
(Adjustments)		
Distributions paid included in deductibles	(31.40)	(31.76)
Provision of distribution reserve	(0.05)	-
Reversal of distribution reserve	-	0.29
Other	0.00	0.01
Effective tax rate after application of tax effect accounting	0.01	0.01

3. Tax loss carried forward and amount of deferred tax assets by carry-forward period

Previous fiscal period (as of January 31, 2023)

	(Unit: Thousands of yen)						
	1 year or less	1 year through 2 years	2 years through 3 years	3 years through 4 years	4 years through 5 years	5 years or more	Total
Tax loss carried forward (Note)	-	-	142,610	-	-	-	142,610
Valuation reserve	-	-	(142,610)	-	-	-	(142,610)
Total deferred tax assets	-	-	-	-	-	-	-

(Note) Tax loss carried forward represents the amount multiplied by the effective statutory tax rate.

Current fiscal period (as of July 31, 2023)

(Unit: Thousands of yen)

	1 year or less	1 year through 2 years	2 years through 3 years	3 years through 4 years	4 years through 5 years	5 years or more	Total
Tax loss carried forward (Note)	–	–	137,363	–	–	–	137,363
Valuation reserve	–	–	(137,363)	–	–	–	(137,363)
Total deferred tax assets	–	–	–	–	–	–	–

(Note) Tax loss carried forward represents the amount multiplied by the effective statutory tax rate.

Asset Retirement Obligations

Asset retirement obligations recorded on the balance sheets

1. Overview of the asset retirement obligations

Asset retirement obligations have been recorded as AEON REIT has obligations to restore the sites to their original conditions based on the fixed-term land lease agreements for some of its assets.

2. Calculation method of the amount of the asset retirement obligations

The amount of the asset retirement obligations is calculated by estimating the expected use period of the relevant assets to be the remaining period of the relevant fixed-term land lease agreements (38 to 46 years) and using the discount rates of 0.797% - 0.906%.

3. Change in the total amount of the asset retirement obligations

(Unit: Thousands of yen)

	Previous fiscal period (From August 1, 2022, to January 31, 2023)	Current fiscal period (From February 1, 2023, to July 31, 2023)
Balance at beginning of current period	456,149	457,977
Increase due to purchase of property and equipment	–	95,587
Adjustment due to passage of time	1,828	2,269
Balance at end of current period	457,977	555,835

Investment and Rental Properties

AEON REIT holds retail properties. The balance sheet carrying amounts, changes during the fiscal period, and fair values of these rental properties are as follows. Amounts do not include AEON Mall Seremban 2 held through the overseas SPC. The profit or loss concerning investment and rental properties is indicated under “Notes to Statements of Income.”

(Unit: Thousands of yen)

	Previous fiscal period (From August 1, 2022, to January 31, 2023)	Current fiscal period (From February 1, 2023, to July 31, 2023)
Balance sheet carrying amount		
Balance at beginning of period	396,087,699	392,472,134
Changes during period	(3,615,564)	18,686,241
Balance at end of period	392,472,134	411,158,376
Fair value at end of period	469,193,111	492,123,910

(Note 1) The balance sheet carrying amount is the acquisition cost less accumulated depreciation.

(Note 2) Of the changes during the previous fiscal period, the increase is mainly due to additional acquisition of land for AEON MALL Chiba Newtown with an acquisition price of ¥13,648 thousand and capital expenditures at existing properties amounting to ¥1,536,806 thousand, while the decrease is principally attributable to depreciation amounting to ¥5,167,847 thousand. Of the changes during the current fiscal period, the increase is mainly due to acquisition of two properties (AEON MALL Wakayama and AEON MALL Miyakonojo Ekimae) with an acquisition price of ¥21,705,284 thousand, capital expenditures at existing properties amounting to ¥2,385,542 thousand and recording of asset retirement obligations amounting to ¥95,587 thousand, while the decrease is principally attributable to depreciation amounting to ¥5,502,443 thousand.

(Note 3) The fair value at end of the current fiscal period is the appraisal value or survey price provided by an independent real estate appraiser.

Revenue Recognition

Previous fiscal period (From August 1, 2022, to January 31, 2023)

1. Breakdown information on revenue from contracts with customers

For the breakdown information on revenue from contracts with customers, refer to “*1. Breakdown of revenues and expenses related to real estate leasing business” in Notes to Statements of Income.

Note that “*1. Breakdown of revenues and expenses related to real estate leasing business” includes revenue in accordance with the Accounting Standard for Lease Transactions (ASBJ Statement No.13). Furthermore, revenue from contracts with customers mainly represents utilities income (¥43,679 thousand) that is included in Other rent revenue - real estate.

2. Basic information for understanding revenue from contracts with customers

The information is as described in Notes on Significant Accounting Policies.

3. Information on relationship between fulfillment of performance obligations based on contracts with customers and cash flow generated from said contracts, and on amount and period of revenues expected to be recognized in the following accounting period or thereafter from contracts with customers existing at the end of the current accounting period

Not applicable.

Current fiscal period (From February 1, 2023, to July 31, 2023)

1. Breakdown information on revenue from contracts with customers

For the breakdown information on revenue from contracts with customers, refer to “*1. Breakdown of revenues and expenses related to real estate leasing business” in Notes to Statements of Income.

Note that “*1. Breakdown of revenues and expenses related to real estate leasing business” includes revenue in accordance with the Accounting Standard for Lease Transactions (ASBJ Statement No.13). Furthermore, revenue from contracts with customers mainly represents utilities income (¥37,876 thousand) that is included in Other rent revenue - real estate.

2. Basic information for understanding revenue from contracts with customers

The information is as described in Notes on Significant Accounting Policies.

3. Information on relationship between fulfillment of performance obligations based on contracts with customers and cash flow generated from said contracts, and on amount and period of revenues expected to be recognized in the following accounting period or thereafter from contracts with customers existing at the end of the current accounting period

Not applicable.

Segment Information, Etc.

1. Segment information

Disclosure is omitted as AEON REIT is comprised of a single reportable segment engaged in the real estate leasing business.

2. Related information

Previous fiscal period (From August 1, 2022, to January 31, 2023)

(1) Information about products and services

Disclosure is omitted since operating revenue from external customers of products and services within a single segment exceeds 90% of operating revenue on the statement of income.

(2) Information about geographical area

i) Operating revenue

Disclosure is omitted since operating revenue from external customers in Japan exceeds 90% of operating revenue on the statement of income.

ii) Property and equipment

Disclosure is omitted since the amount of property and equipment located in Japan exceeds 90% of property and equipment on the balance sheet.

(3) Information about major customers

(Unit: Thousands of yen)

Name	Operating revenue	Related segment
AEON Mall Co., Ltd.	9,727,113	Real estate leasing business
AEON Retail Co., Ltd.	6,741,299	Real estate leasing business
AEON Hokkaido Corporation	1,019,974	Real estate leasing business
AEON KYUSHU Co., Ltd.	764,677	Real estate leasing business
The Daiei, Inc.	632,191	Real estate leasing business
AEON TOHOKU Co., Ltd.	511,864	Real estate leasing business
AEON Global SCM Co., Ltd.	289,620	Real estate leasing business
AEON CO. (M) BHD. (Note)	24,465	Real estate leasing business

(Note) *Operating revenue* is converted into yen using the foreign exchange rate prevailing at the time the transaction occurred (monthly average spot exchange rate for the month directly preceding the month in which the transaction took place).

Current fiscal period (From February 1, 2023, to July 31, 2023)

(1) Information about products and services

Disclosure is omitted since operating revenue from external customers of products and services within a single segment exceeds 90% of operating revenue on the statement of income.

(2) Information about geographical area

i) Operating revenue

Disclosure is omitted since operating revenue from external customers in Japan exceeds 90% of operating revenue on the statement of income.

ii) Property and equipment

Disclosure is omitted since the amount of property and equipment located in Japan exceeds 90% of property and equipment on the balance sheet.

(3) Information about major customers

(Unit: Thousands of yen)

Name	Operating revenue	Related segment
AEON Mall Co., Ltd.	10,711,381	Real estate leasing business
AEON Retail Co., Ltd.	6,750,686	Real estate leasing business
AEON Hokkaido Corporation	1,021,738	Real estate leasing business
AEON KYUSHU Co., Ltd.	764,641	Real estate leasing business
The Daiei, Inc.	626,386	Real estate leasing business
AEON TOHOKU Co., Ltd.	511,859	Real estate leasing business
AEON Global SCM Co., Ltd.	289,620	Real estate leasing business
AEON CO. (M) BHD. (Note)	25,528	Real estate leasing business

(Note) *Operating revenue* is converted into yen using the foreign exchange rate prevailing at the time the transaction occurred (monthly average spot exchange rate for the month directly preceding the month in which the transaction took place).

Per Unit Information

	Previous fiscal period (From August 1, 2022, to January 31, 2023)	Current fiscal period (From February 1, 2023, to July 31, 2023)
Net assets per unit	¥115,745	¥116,477
Net income per unit	¥3,288	¥3,318

(Note 1) Net income per unit is calculated by dividing net income by the day-weighted average number of investment units for the period. Fully diluted net income per investment unit is not presented, as there is no potential investment unit.

(Note 2) The basis for calculating net income per unit is as follows:

	Previous fiscal period (From August 1, 2022, to January 31, 2023)	Current fiscal period (From February 1, 2023, to July 31, 2023)
Net income (Thousands of yen)	6,724,157	7,047,569
Amount not attributable to common unitholders (Thousands of yen)	–	–
Net income attributable to common investment units (Thousands of yen)	6,724,157	7,047,569
Average number of investment units for the period (Units)	2,044,467	2,123,533

Significant Subsequent Events

Not applicable.

Omission of Disclosure

AEON REIT omits the disclosure of notes to lease transactions, securities, retirement benefits, share of profit or loss of entities accounted for using equity method and related-party transactions as it does not find substantial need for disclosure in the Financial Report.

(10) Changes in Total Number of Investment Units Issued

Changes in the total number of investment units issued and the total unitholders' capital of AEON REIT in the last five years are as follows:

Date	Event	Total number of investment units issued (Units)		Total unitholders' capital (Millions of yen) (Note 1)		Remarks
		Change	Balance	Change	Balance	
September 3, 2019	Capital increase through public offering	91,400	1,868,747	11,805	203,977	(Note 2)
October 1, 2019	Capital increase through third-party allotment	4,570	1,873,317	590	204,568	(Note 3)
August 17, 2021	Capital increase through public offering	163,000	2,036,317	23,729	228,297	(Note 4)
September 14, 2021	Capital increase through third-party allotment	8,150	2,044,467	1,186	229,484	(Note 5)
February 1, 2023	Capital increase through public offering	75,700	2,120,167	9,922	239,407	(Note 6)
February 21, 2023	Capital increase through third-party allotment	3,785	2,123,952	496	239,903	(Note 7)

(Note 1) Difference between unitholders' capital and the amount of deduction from unitholders' capital is indicated.

(Note 2) New investment units were issued through public offering with an issue price per unit of ¥133,477 (issue value: ¥129,164), for the purpose of procuring funds to acquire new properties.

(Note 3) In conjunction with the capital increase through public offering, new investment units were issued through third-party allotment with an issue value per unit of ¥129,164.

(Note 4) New investment units were issued through public offering with an issue price per unit of ¥150,442 (issue value: ¥145,581), for the purpose of procuring funds to repay borrowings used to fund acquisition of new properties.

(Note 5) In conjunction with the capital increase through public offering, new investment units were issued through third-party allotment with an issue value per unit of ¥145,581.

(Note 6) New investment units were issued through public offering with an issue price per unit of ¥135,456 (issue value: ¥131,079), for the purpose of procuring funds to acquire new properties.

(Note 7) In conjunction with the capital increase through public offering, new investment units were issued through third-party allotment with an issue value per unit of ¥131,079.

3. Reference Information

(1) Status of Investment

i) Composition of assets

Type of assets	Property type	Region (Note 1)	Previous fiscal period (As of January 31, 2023)				Current fiscal period (As of July 31, 2023)					
			Total amount held (Millions of yen) (Note 2)	Percentage to total assets (%)	Holding assets denominated in foreign currency (Millions of yen)		Total amount held (Millions of yen) (Note 2)	Percentage to total assets (%)	Holding assets denominated in foreign currency (Millions of yen)			
					Unrealized gain (loss) on valuation of foreign currency (Millions of yen) (Note 3)	Percentage to total assets (%)			Unrealized gain (loss) on valuation of foreign currency (Millions of yen) (Note 4)	Percentage to total assets (%)		
Trust beneficiary rights in real estate	Retail properties, etc.	Hokkaido and Tohoku	28,153	6.5	–	–	–	28,429	6.3	–	–	–
		Kanto (Note 5)	149,489	34.5	–	–	–	148,195	32.8	–	–	–
		Tokai, Hokuriku and Chubu	59,365	13.7	–	–	–	58,459	12.9	–	–	–
		Kinki	84,280	19.4	–	–	–	100,446	22.2	–	–	–
		Chugoku and Shikoku	27,687	6.4	–	–	–	27,988	6.2	–	–	–
		Kyushu and Okinawa	42,905	9.9	–	–	–	47,042	10.4	–	–	–
		Malaysia	589	0.1	589	(35)	0.1	595	0.1	595	(30)	0.1
Total			392,472	90.6	589	(35)	0.1	411,158	90.9	595	(30)	0.1
Shares of subsidiaries and associates (Note 6)			6,078	1.4	6,078	1,302	1.4	6,078	1.3	6,078	1,372	1.3
Deposits and other assets			34,845	8.0	17	0.0	0.0	35,248	7.8	6	–	0.0
Total assets			433,395	100.0	6,685	1,266	1.5	452,485	100.0	6,679	1,341	1.5

	Previous fiscal period (As of January 31, 2023)		Current fiscal period (As of July 31, 2023)	
	Amount (Millions of yen)	Percentage to total assets (%)	Amount (Millions of yen)	Percentage to total assets (%)
Total liabilities	196,757	45.4	205,092	45.3
Total net assets	236,638	54.6	247,392	54.7

(Note 1) Details of the constituents of *Region* categories are shown below.

Hokkaido and Tohoku:	Hokkaido, Aomori, Akita, Iwate, Yamagata, Miyagi, and Fukushima prefectures
Kanto:	Tokyo, Kanagawa, Chiba, Saitama, Ibaraki, Tochigi, and Gunma prefectures
Tokai, Hokuriku and Chubu:	Aichi, Shizuoka, Mie, Niigata, Toyama, Ishikawa, Fukui, Nagano, Yamanashi, and Gifu prefectures
Kinki:	Osaka, Kyoto, Nara, Shiga, Wakayama, and Hyogo prefectures
Chugoku and Shikoku:	Tottori, Okayama, Shimane, Hiroshima, Yamaguchi, Kagawa, Tokushima, Ehime, and Kochi prefectures
Kyushu and Okinawa:	Fukuoka, Kumamoto, Saga, Nagasaki, Oita, Miyazaki, Kagoshima, and Okinawa prefectures
Malaysia:	The whole land of Malaysia is presented as one category.

(Note 2) *Total amount held* represents the balance sheet carrying amount (for real estate and trust beneficiary rights in real estate, book value less depreciation expenses) as of the end of the fiscal period.

(Note 3) *Unrealized gain (loss) on valuation of foreign currency* as of January 31, 2023, represents the amount obtained by subtracting the book value at end of period that is evaluated and converted to Japanese yen based on the exchange rate at the time of the acquisition from the book value at end of period which has been converted to Japanese yen based on the exchange rate as of the end of the fiscal period (January 31, 2023). The applied exchange rate on the closing date (January 31, 2023) is RM 1 = ¥30.73 (rounded down to the second decimal place). As there is no official foreign exchange rate for the RM, the reference exchange rate of Mizuho Bank, Ltd. is adopted for conversion to the yen. The same shall apply hereafter.

(Note 4) *Unrealized gain (loss) on valuation of foreign currency* as of July 31, 2023, represents the amount obtained by subtracting the book value at end of period that is evaluated and converted to Japanese yen based on the exchange rate at the time of the acquisition from the book value at end of period which has been converted to Japanese yen based on the exchange rate as of the end of the fiscal period (July 31, 2023). The applied exchange rate on the closing date (July 31, 2023) is RM 1 = ¥31.02 (rounded down to the second decimal place).

(Note 5) “AEON MALL Mitouchihara,” located in “Kanto,” includes, in addition to the trust beneficiary rights in real estate portion, a real estate portion (adjacent land portion that was additionally acquired on April 28, 2015; the balance sheet carrying amount is ¥108 million).

(Note 6) *Shares of subsidiaries and associates* represents stocks issued by overseas real estate holding corporations defined in Article 221-2, Paragraph 1 of the Ordinance for Enforcement of the Act on Investment Trusts and Investment Corporations.

ii) Major investment securities

Investment securities held by AEON REIT as of the end of the current period are as follows.

Security name	Type of assets	Business type	Quantity (shares)	Book value		Estimated value (Note)		As a percentage of total assets (%)
				Unit value (yen)	Amount (Thousands of yen)	Unit value (yen)	Amount (Thousands of yen)	
JAMBATAN MANSEIBASHI (M) Sdn. Bhd.	Shares of affiliate company	Overseas real estate holding corporation	239,110,002	25.42 (RM 1)	6,078,453 (RM 240,185,002)	25.42 (RM 1)	6,078,453 (RM 240,185,002)	1.3

(Note) The *Estimated value* of the stocks of the affiliate in question represents the acquisition value since it was no market prices.

Investment ratio by asset type and business type

Type	Region	Business type	As a percentage of total assets (%)
Shares of affiliate company	Malaysia	Overseas real estate holding corporation	1.3
Total			1.3

iii) Investment properties

A summary of the properties held by AEON REIT is provided for the convenience of readers in “iv) Other main investment assets” below.

iv) Other main investment assets

(A) Summary of real estate and trust beneficiary rights in real estate

The summary of real estate, etc., held by AEON REIT as of July 31, 2023 (the end of the 21st fiscal period) (including real estate AEON REIT owns through the Overseas SPC) is shown below.

Property number	Property name	Acquisition price (Millions of yen) (Note 1)	Book value at end of period (Millions of yen)	Assessed value at end of period (Millions of yen) (Note 2)	Investment percentage (%) (Note 3)	Seller
SRSC-1	AEON LakeTown mori (Note 4)	21,190	17,332	24,200	4.5	AEON Retail Co., Ltd.
SRSC-2	AEON LakeTown kaze (Note 4)	6,730	5,295	7,950	1.4	AEON Retail Co., Ltd.
RSC-1	AEON MALL Morioka	5,340	5,009	7,060	1.1	AEON Mall Co., Ltd.
RSC-2	AEON MALL Ishinomaki	6,680	5,436	7,070	1.4	AEON Retail Co., Ltd.
RSC-3	AEON MALL Mitouchihara (Note 5)	16,565	12,850	17,818	3.5	AEON Mall Co., Ltd. Mito City, Ibaraki Pref.
RSC-4	AEON MALL Ota	6,860	6,041	8,210	1.5	Tokyo Century Corporation
RSC-5	AEON Sagamihara Shopping Center	10,220	9,288	10,400	2.2	AEON Retail Co., Ltd.
RSC-6	AEON MALL Ogaki	4,950	3,092	4,640	1.1	AEON Retail Co., Ltd.
RSC-7	AEON MALL Suzuka	9,660	8,908	10,700	2.1	AEON Mall Co., Ltd.
RSC-8	AEON MALL Meiwa	3,290	3,114	3,660	0.7	AEON Retail Co., Ltd.
RSC-9	AEON MALL Kasai-Hojo	7,230	5,383	7,710	1.5	AEON Retail Co., Ltd.
RSC-10	AEON MALL Hiezu	7,780	5,902	7,470	1.7	AEON Retail Co., Ltd.
RSC-11	AEON MALL Kurashiki	17,890	16,691	19,000	3.8	AEON Mall Co., Ltd.
RSC-12	AEON MALL Ayagawa	8,740	5,395	8,950	1.9	AEON Retail Co., Ltd.
RSC-13	AEON MALL Nogata (Note 6)	12,546	10,228	14,400	2.7	Tokyo Century Corporation AEON Mall Co., Ltd.
RSC-15	AEON MALL KYOTO	21,470	18,692	22,700	4.6	AEON Mall Co., Ltd.
RSC-16	AEON MALL Sapporo-Hiraoka	5,900	4,898	6,220	1.3	Forester Special Purpose Company
RSC-17	AEON MALL Kushiro-Showa	1,780	1,742	1,890	0.4	Forester Special Purpose Company
RSC-18	AEON MALL Shinrifu North Wing	2,560	3,257	2,280	0.5	Forester Special Purpose Company
RSC-19	AEON MALL Yamagata-Minami	1,350	1,173	1,480	0.3	Forester Special Purpose Company
RSC-20	AEON MALL Yokkaichi-Kita	2,210	2,172	2,500	0.5	Forester Special Purpose Company
RSC-21	AEON MALL Yamatokoriyama (Note 7)	14,452	12,110	14,900	3.1	AEON Mall Co., Ltd.
RSC-22	AEON MALL Chiba Newtown (mall, and cinema and sports complex) (Note 8)	12,198	10,965	12,100	2.6	Tokyo Century Corporation
RSC-23	AEON MALL Kofu Showa (Note 9)	15,489	13,417	17,200	3.3	AEON Mall Co., Ltd. Showa-cho Joei Land Readjustment Association
RSC-24	AEON MALL Tomakomai	7,840	6,910	8,180	1.7	Meivius Gamma Special Purpose Company
RSC-25	AEON MALL Oyama	6,280	5,279	6,310	1.3	AEON Retail Co., Ltd.
RSC-26	AEON MALL Itamikoya	16,860	14,684	17,600	3.6	AEON Retail Co., Ltd.
RSC-27	AEON MALL Kagoshima	13,400	11,700	13,600	2.9	AEON Retail Co., Ltd.
RSC-28	AEON MALL Tsuchiura	12,030	10,164	12,100	2.6	AEON Retail Co., Ltd.
RSC-29	AEON MALL Kahoku	9,940	7,805	10,600	2.1	AEON Retail Co., Ltd.
RSC-30	AEON MALL Shimotsuma	9,552	8,533	10,600	2.0	Godo Kaisha Double O2
RSC-31	AEON MALL Kyoto Gojo	13,333	12,702	13,900	2.8	Godo Kaisha Double O3
RSC-32	AEON MALL Fukutsu	18,040	17,007	18,600	3.9	Undisclosed (Note 10)
RSC-33	AEON MALL Tamadaira woods	9,667	9,166	10,200	2.1	Undisclosed (Note 10)
RSC-34	AEON MALL Takasaki	17,164	16,577	17,500	3.7	Undisclosed (Note 10)
RSC-35	AEON MALL Narita	14,001	13,869	14,200	3.0	Godo Kaisha Double O6
RSC-36	AEON MALL Shinkomatsu	15,350	14,683	15,500	3.3	ASM2 Godo Kaisha
RSC-37	AEON MALL Sagayamato	3,720	3,585	3,830	0.8	Undisclosed (Note 10)
RSC-38	AEON MALL Wakayama	16,840	16,959	16,800	3.6	Godo Kaisha Double O7
RSC-39	AEON MALL Miyakonojo Ekimae	4,460	4,519	4,510	1.0	Godo Kaisha Double O7
CSC-1	AEON Chigasaki-Chuo Shopping Center	6,410	6,534	6,690	1.4	Sumitomo Mitsui Finance & Leasing Co., Ltd.
CSC-2	AEON STYLE Kemigawahama	3,748	3,181	3,770	0.8	AEON Retail Co., Ltd.
CSC-3	AEON Kireuriwari Shopping Center	4,394	4,081	4,750	0.9	Godo Kaisha Double O2
CSC-4	AEON Ueda Shopping Center	5,350	5,267	5,840	1.1	Godo Kaisha Double O5
L-1	Daiei-Kawasaki Process Center	14,280	13,114	16,200	3.0	Tokyo Century Corporation

Property number	Property name	Acquisition price (Millions of yen) (Note 1)	Book value at end of period (Millions of yen)	Assessed value at end of period (Millions of yen) (Note 2)	Investment percentage (%) (Note 3)	Seller
L-2	AEON Minami-Osaka RDC	9,870	9,109	11,700	2.1	Tokyo Century Corporation
L-3	Daiei Ibaraki Process Center	6,810	6,722	8,000	1.5	Tokyo Century Corporation
M-1	AEON Taman Universiti Shopping Centre (Note 11)	658 [RM 20 million]	595 [RM 18 million]	635 [RM 20 million]	0.1	AEON CO. (M) BHD.
M-2	AEON MALL SEREMBAN 2 (Note 12)	5,252 [RM 215 million]	–	7,475 [RM 241 million]	1.1	Swiss Advanced Technology Institute(M) Sdn. Bhd.
	Total	468,332	411,158 (Note 13)	499,599	100.0	

(Note 1) *Acquisition price* represents the amount (the sale and purchase price, etc., shown on the sale and purchase agreement, etc.) excluding expenses incurred on the acquisition of each property (commission, taxes and dues, etc.).

(Note 2) *Assessed value at end of period* represents the appraisal value shown on the appraisal report of property as of the valuation date of July 31, 2023, or survey price shown on a survey report of property. For the summary of appraisal, please refer to “Summary of real estate appraisal” described below.

(Note 3) *Investment percentage* is calculated by dividing the acquisition price of each property by the total of the acquisition price, and is rounded to the first decimal place.

(Note 4) AEON REIT holds 40% of each trust beneficiary right in real estate of “AEON LakeTown mori” and “AEON LakeTown kaze” as a quasi-co-ownership interest (*jun kyōyū-mochibun*). *Assessed value at end of period* describes the amount representing AEON REIT’s pro-rata portion of the quasi-co-ownership interest (*jun kyōyū-mochibun*) in the trust beneficiary rights in real estate (40% for each property).

(Note 5) This property includes, in addition to the trust beneficiary rights in real estate portion, a real estate portion (adjacent land portion that was additionally acquired on April 28, 2015; the acquisition price is ¥105 million, the book value at the end of the period is ¥108 million, and the assessed value at the end of the period is ¥118 million).

(Note 6) For this property *Acquisition price*, *Book value at end of period*, *Assessed value at end of period* and *Investment percentage* represent the amounts and figures that reflect the land AEON REIT additionally acquired as of February 25, 2021.

(Note 7) *Acquisition price*, *Book value at end of period*, *Assessed value at end of period* and *Investment percentage* represent the price and figures that reflect the sale of part of its land as announced in “Notice of Disposition of Part of Land of Domestic Property (AEON MALL Yamatokoriyama)” dated March 24, 2021.

(Note 8) For this property *Acquisition price*, *Book value at end of period*, *Assessed value at end of period* and *Investment percentage* represent the amounts and figures that reflect the land AEON REIT additionally acquired as of October 27, 2022.

(Note 9) For this property *Acquisition price*, *Book value at end of period*, *Assessed value at end of period* and *Investment percentage* represent the amounts and figures that include the “Extended Building” AEON REIT additionally acquired as of September 3, 2018.

(Note 10) The seller is not disclosed due to inevitable reasons, as AEON REIT has not obtained consent for disclosure from the seller.

(Note 11) *Acquisition price* represents the total yen amount of the considerations actually paid by AEON REIT to AEON CO. (M) BHD. over several times, and is the amount (the sale and purchase price, etc., shown on the sale and purchase agreement, etc.) excluding expenses incurred on the acquisition of the property (commission, taxes and dues, etc.). The weighted average exchange rate calculated from the exchange rates applied at each payment was ¥32.92 to RM 1, rounded down to the second decimal place.

Book value at end of period represents the amount obtained by subtracting the accumulated depreciation amount at the end of the fiscal period from the sum of the amount presented in the *Acquisition price*, expenses incurred on the acquisition of the property (related expenses) and capital expenditures. For related expenses and capital expenditures paid in Japanese yen, the paid amount has been added to the *Acquisition price*, while for related expenses and capital expenditures paid in RM, the amount obtained after converting it to Japanese yen using the exchange rate at the time of the transaction (the average spot exchange rate of the month preceding the month in which the transaction was carried out) has been added to the *Acquisition price*.

AEON REIT holds the rights (18.18%) similar to the co-ownership interest (*kyōyū-mochibun*) of the trust property pertaining to the trust beneficiary rights in real estate of AEON Taman Universiti Shopping Centre (rights to the trust for part of AEON Taman Universiti Shopping Centre located in Johor, Malaysia; the same shall apply hereinafter). *Assessed value at end of period* describes the amount for the appraisal value shown on the appraisal report of property as of the valuation date of July 31, 2023, or survey price shown on a survey report of property, equivalent to AEON REIT’s pro-rata portion of the rights (18.18%) similar to the co-ownership interest (*kyōyū-mochibun*) of the trust property pertaining to the trust beneficiary rights in real estate. The amount of *Assessed value at end of period* has been converted to the yen using the exchange rate (RM 1 = ¥31.02; rounded down to the second decimal place) of the closing date (July 31, 2023).

(Note 12) The amount of *Acquisition price* indicates the value at which AEON REIT acquired AEON MALL SEREMBAN 2 from the seller through the Overseas SPC (the sale price, etc. stated in the sale agreement, etc., excluding the expenses (brokerage commissions, taxes and dues, etc.) that were required for the acquisition of AEON MALL SEREMBAN 2). The exchange rate used at the time of acquisition on September 30, 2016 (RM 1 = ¥24.43; rounded down to the second decimal place) is applied for the conversion from RM to Japanese yen.

Book value at end of period is not indicated as AEON REIT does not directly own the property. The amount of *Assessed value at end of period* has been converted to the yen using the exchange rate (RM 1 = ¥31.02; rounded down to the second decimal place) of the closing date (July 31, 2023).

(Note 13) The total amount excludes AEON MALL SEREMBAN 2 that AEON REIT owns through the Overseas SPC.

(B) Overview of lease

The overview of lease (annual contracted rent, leasehold and security deposits, total leasable area, total leased area, and occupancy rate as of July 31, 2023) of real estate, etc., held by AEON REIT as of the end of the current fiscal period (July 31, 2023) is shown below.

Property type	Property number	Property name	Location	Date of construction	Annual contracted rent (Millions of yen)	Leasehold and security deposits (Millions of yen)	Total leasable area (m ²) (Note 1)	Total leased area (m ²)	Occupancy rate (%)
Retail properties, etc.	SRSC-1	AEON LakeTown mori (Note 2)	Koshigaya City, Saitama Pref.	September 9, 2008	680	685	205,711.70	205,711.70	100.0
	SRSC-2	AEON LakeTown kaze (Note 2)	Koshigaya City, Saitama Pref.	September 9, 2008	336	330	127,183.81	127,183.81	100.0
	RSC-1	AEON MALL Morioka	Morioka City, Iwate Pref.	July 23, 2003	368	338	98,968.59	98,968.59	100.0
	RSC-2	AEON MALL Ishinomaki	Ishinomaki City, Miyagi Pref.	March 2, 2007	351	354	60,682.20	60,682.20	100.0
	RSC-3	AEON MALL Mitouchihara	Mito City, Ibaraki Pref.	November 8, 2005	720 (Note 3)	726 (Note 3)	159,997.49	159,997.49	100.0
	RSC-4	AEON MALL Ota	Ota City, Gunma Pref.	November 17, 2003	481	476	93,165.27	93,165.27	100.0
	RSC-5	AEON Sagamihara Shopping Center	Sagamihara City, Kanagawa Pref.	August 9, 1993	418	420	75,056.62	75,056.62	100.0
	RSC-6	AEON MALL Ogaki	Ogaki City, Gifu Pref.	March 29, 2007	324	330	64,246.26	64,246.26	100.0
	RSC-7	AEON MALL Suzuka	Suzuka City, Mie Pref.	November 12, 1996	458	446	125,253.74	125,253.74	100.0
	RSC-8	AEON MALL Meiwa	Taki County, Mie Pref.	August 6, 2001	217	214	44,193.80	44,193.80	100.0
	RSC-9	AEON MALL Kasai-Hojo	Kasai City, Hyogo Pref.	October 3, 2008	324	328	48,229.25	48,229.25	100.0
	RSC-10	AEON MALL Hiezu	Saihaku County, Tottori Pref.	March 8, 1999	428	426	102,045.24	102,045.24	100.0
	RSC-11	AEON MALL Kurashiki	Kurashiki City, Okayama Pref.	September 15, 1999	745	741	157,274.78	157,274.78	100.0
	RSC-12	AEON MALL Ayagawa	Ayauta County, Kagawa Pref.	July 18, 2008	453	460	113,149.07	113,149.07	100.0
	RSC-13	AEON MALL Nogata	Nogata City, Fukuoka Pref.	April 4, 2005	547	545	151,969.51	151,969.51	100.0
	RSC-15	AEON MALL KYOTO	Kyoto City, Kyoto Pref.	January 7, 2010	707	698	136,468.45	136,468.45	100.0
	RSC-16	AEON MALL Sapporo-Hiraoka	Sapporo City, Hokkaido	November 10, 2000	448	-	78,360.81	78,360.81	100.0
	RSC-17	AEON MALL Kushiro-Showa	Kushiro City, Hokkaido	September 13, 2000	230	-	51,763.05	51,763.05	100.0
	RSC-18	AEON MALL Shinrifu North Wing	Miyagi County, Miyagi Pref.	April 18, 2000	208	-	66,478.91	66,478.91	100.0
	RSC-19	AEON MALL Yamagata-Minami	Yamagata City, Yamagata Pref.	November 17, 2000	162	-	53,502.94	53,502.94	100.0
	RSC-20	AEON MALL Yokkaichi-Kita	Yokkaichi City, Mie Pref.	January 23, 2001	234	-	41,447.33	41,447.33	100.0
	RSC-21	AEON MALL Yamatokoriyama	Yamatokoriyama City, Nara Pref.	February 16, 2010	764	768	105,230.88	105,230.88	100.0
	RSC-22	AEON MALL Chiba Newtown (mall, and cinema and sports complex)	Inzai City, Chiba Pref.	April 17, 2006	401	403	107,425.97	107,425.97	100.0
	RSC-23	AEON MALL Kofu Showa (Note 4)	Nakakoma County, Yamanashi Pref.	March 11, 2011	671	643	99,772.38	99,772.38	100.0
RSC-24	AEON MALL Tomakomai	Tomakomai City, Hokkaido Pref.	April 8, 2005	343	-	71,308.33	71,308.33	100.0	

Property type	Property number	Property name	Location	Date of construction	Annual contracted rent (Millions of yen)	Leasehold and security deposits (Millions of yen)	Total leasable area (m ²) (Note 1)	Total leased area (m ²)	Occupancy rate (%)
Retail properties, etc.	RSC-25	AEON MALL Oyama	Oyama City, Tochigi Pref.	April 18, 1997	275	279	47,872.33	47,872.33	100.0
	RSC-26	AEON MALL Itamikoya	Itami City, Hyogo Pref.	February 2, 2011	845	851	122,944.71	122,944.71	100.0
	RSC-27	AEON MALL Kagoshima	Kagoshima City, Kagoshima Pref.	September 12, 2007	592	–	132,341.35	132,341.35	100.0
	RSC-28	AEON MALL Tsuchiura	Tsuchiura City, Ibaraki Pref.	May 19, 2009	530	536	86,848.51	86,848.51	100.0
	RSC-29	AEON MALL Kahoku	Kahoku City, Ishikawa Pref.	September 30, 2008	489	492	70,948.14	70,948.14	100.0
	RSC-30	AEON MALL Shimotsuma	Shimotsuma City, Ibaraki Pref.	November 17, 1997	407	–	58,402.66	58,402.66	100.0
	RSC-31	AEON MALL Kyoto Gojo	Kyoto City, Kyoto Pref.	January 21, 2004	439	–	87,311.56	87,311.56	100.0
	RSC-32	AEON MALL Fukutsu	Fukutsu City, Fukuoka Pref.	April 20, 2012	622	628	100,020.87	100,020.87	100.0
	RSC-33	AEON MALL Tamadaira woods	Hino City, Tokyo	November 17, 2014	578	284	66,575.54	66,575.54	100.0
	RSC-34	AEON MALL Takasaki	Takasaki City, Gunma Pref.	October 16, 2006	732	722	126,403.58	126,403.58	100.0
	RSC-35	AEON MALL Narita	Narita City, Chiba Pref.	March 15, 2000	569	–	122,785.62	122,785.62	100.0
	RSC-36	AEON MALL Shinkomatsu	Komatsu City, Ishikawa Pref.	February 27, 2017	717	–	79,509.27	79,509.27	100.0
	RSC-37	AEON MALL Sagayamato	Saga City, Saga Pref.	September 1, 2000	176	105	68,942.36	68,942.36	100.0
	RSC-38	AEON MALL Wakayama	Wakayama City, Wakayama Pref.	February 13, 2014	780	–	123,318.13	123,318.13	100.0
	RSC-39	AEON MALL Miyakonojo Ekimae	Miyakonojo City, Miyazaki Pref.	November 27, 2008	212	–	62,324.49	62,324.49	100.0
	CSC-1	AEON Chigasaki-Chuo Shopping Center	Chigasaki City, Kanagawa Pref.	October 13, 2000	224	223	63,158.24	63,158.24	100.0
	CSC-2	AEON STYLE Kemigawahama	Chiba City, Chiba Pref.	November 20, 1991	174	177	29,947.62	29,947.62	100.0
	CSC-3	AEON Kireuriwari Shopping Center	Osaka City, Osaka Pref.	November 21, 2005	173	–	27,603.46	27,603.46	100.0
	CSC-4	AEON Ueda Shopping Center	Ueda City, Nagano Pref.	June 30, 2004	223	–	61,349.07	61,349.07	100.0
	L-1	Daiei-Kawasaki Process Center	Kawasaki City, Kanagawa Pref.	April 22, 1997	480	269	59,265.77	59,265.77	100.0
L-2	AEON Minami-Osaka RDC	Sakai City, Osaka Pref.	April 25, 1995	289	144	50,197.06	50,197.06	100.0	
L-3	Daiei Ibaraki Process Center	Ibaraki City, Osaka Pref.	June 14, 1977	251	263	50,783.58	50,783.58	100.0	
M-1	AEON Taman Universiti Shopping Centre (Note 5)	Johor, Malaysia	2002	25 [RM 835 thousand]	–	22,870.00	22,870.00	100.0	
M-2	AEON MALL SEREMBAN 2 (Note 6)	Negeri Sembilan, Malaysia	2005	247 [RM 8,133 thousand]	–	81,135.00	81,135.00	100.0	
Total					21,088 (Note 7)	14,322	4,241,745.30	4,241,745.30	100.0

(Note 1) *Total leasable area* represents gross leasable space based on the lease agreement or floor plan for buildings in each acquired property. *Total leasable area* includes the area of attached buildings.

(Note 2) AEON REIT holds 40% of each trust beneficiary right in real estate of “AEON LakeTown mori” and “AEON LakeTown kaze” as a quasi-co-ownership interest (*jun kyōyū-mochibun*). *Annual contracted rent* and *Leasehold and security deposits* represent the amounts equivalent to AEON REIT’s pro-rata portion of the quasi-co-ownership interest (*jun kyōyū-mochibun*) in the trust beneficiary rights in real estate (40% for each property).

(Note 3) *Annual contracted rent* and *Leasehold and security deposits* of “AEON MALL Mitouchihara” include an amount based on the lease agreement for land of AEON MALL Mitouchihara that was additionally acquired on April 28, 2015.

(Note 4) *Annual contracted rent*, *Leasehold and security deposits*, *Total leasable area*, *Total leased area* and *Occupancy rate* of AEON MALL Kofu Showa represent the amounts and figures that include those of the “Extended Building” AEON REIT additionally acquired as of September 3, 2018. Furthermore, the date of construction of the “Extended Building” is November 20, 2017.

- (Note 5) *Date of construction* represents the completion year noted in the Building Status Report prepared by Takenaka Corporation. AEON REIT holds the rights (18.18%) similar to the co-ownership interest (*kyōyū-mochibun*) of the trust property pertaining to the trust beneficiary rights in real estate of AEON Taman Universiti Shopping Centre. *Annual contracted rent* describes the figure equivalent to AEON REIT's pro-rata portion of the rights (18.18%) similar to the co-ownership interest (*kyōyū-mochibun*) of the trust property pertaining to the trust beneficiary rights in real estate. *Annual contracted rent* represents the amount after the conversion to Japanese yen based on the exchange rate at the time of the transaction (based on the average spot exchange rate of the month preceding the month in which the transaction was carried out). *Total leasable area* and *Total leased area* represent the building floor area as indicated in the Building Status Report prepared by Takenaka Corporation or the building floor area as indicated in the real estate appraisal report prepared by the Japan Real Estate Institute.
- (Note 6) AEON REIT owns the property through the Overseas SPC. For annual contracted rent, the figure has been converted to Japanese yen based on the period-average exchange rate (RM 1 = ¥30.38; rounded down to the second decimal place).
- (Note 7) The total amount of annual contracted rent is calculated by including AEON MALL SEREMBAN 2 that AEON REIT owns through the Overseas SPC. Accordingly, the total amount of annual contracted rent in the above table does not match the rent revenue - real estate of AEON REIT.

(C) Summary of real estate appraisal

The summary of real estate appraisal (appraisal value; income approach value and capitalization rate based on direct capitalization method; income approach value based on DCF method; discount rate, terminal capitalization rate and NOI) for the already acquired properties (including real estate AEON REIT owns through the Overseas SPC) as of the end of the 21st fiscal period (July 31, 2023) is shown below.

Property number	Property name	Appraisal agency	Appraisal value (Millions of yen) (Note 1)	Income approach value					NOI (Millions of yen) (Note 2)
				Price based on direct capitalization method (Millions of yen)	Capitalization rate (%)	Price based on DCF method (Millions of yen)	Discount rate (%)	Terminal capitalization rate (%)	
SRSC-1	AEON LakeTown mori (Note 3)	The Tanizawa Sōgō Appraisal Co., Ltd.	24,200	24,600	4.6	24,000	4.6 4.7 (Note 4)	4.8	1,151
SRSC-2	AEON LakeTown kaze (Note 3)	The Tanizawa Sōgō Appraisal Co., Ltd.	7,950	8,150	5.0	7,870	4.9 5.0 (Note 4)	5.3	423
RSC-1	AEON MALL Morioka	Daiwa Real Estate Appraisal Co., Ltd.	7,060	7,160	6.4	7,010	6.2	6.6	529
RSC-2	AEON MALL Ishinomaki	Daiwa Real Estate Appraisal Co., Ltd.	7,070	7,170	6.2	7,030	6.0	6.4	465
RSC-3	AEON MALL Mitouchihara (Trust beneficiary rights in real estate) (Note 5)	Daiwa Real Estate Appraisal Co., Ltd.	17,700	18,100	5.8	17,500	5.6	6.0	1,105
	AEON MALL Mitouchihara (Land) (Note 5)	Daiwa Real Estate Appraisal Co., Ltd.	118	—	—	118	4.9	—	—
RSC-4	AEON MALL Ota	Japan Real Estate Institute	8,210	8,260	6.3	8,150	5.8	6.5	589
RSC-5	AEON Sagamihara Shopping Center	Japan Real Estate Institute	10,400	10,500	5.2	10,300	4.9	5.4	661
RSC-6	AEON MALL Ogaki	Japan Real Estate Institute	4,640	4,640	7.2	4,640	6.1	8.0	373
RSC-7	AEON MALL Suzuka	Daiwa Real Estate Appraisal Co., Ltd.	10,700	10,800	6.0	10,700	5.8	6.2	785
RSC-8	AEON MALL Meiwa	The Tanizawa Sōgō Appraisal Co., Ltd.	3,660	3,760	6.3	3,610	6.2 6.3 (Note 4)	6.6	283
RSC-9	AEON MALL Kasai-Hojo	Japan Real Estate Institute	7,710	7,740	6.6	7,670	6.3	6.8	535
RSC-10	AEON MALL Hiezu	Japan Real Estate Institute	7,470	7,530	6.7	7,410	6.3	7.0	593
RSC-11	AEON MALL Kurashiki	Japan Real Estate Institute	19,000	19,100	5.9	18,900	5.6	6.1	1,273
RSC-12	AEON MALL Ayagawa	Daiwa Real Estate Appraisal Co., Ltd.	8,950	9,080	6.3	8,900	6.1	6.5	610
RSC-13	AEON MALL Nogata (Note 6)	Daiwa Real Estate Appraisal Co., Ltd.	14,400	14,500	6.0	14,300	5.8	6.2	949
RSC-15	AEON MALL KYOTO	Japan Real Estate Institute	22,700	23,000	4.6	22,400	4.3	4.8	1,087
RSC-16	AEON MALL Sapporo-Hiraoka	The Tanizawa Sōgō Appraisal Co., Ltd.	6,220	6,420	6.1	6,130	6.1 6.2 (Note 4)	6.4	444
RSC-17	AEON MALL Kushiro-Showa	The Tanizawa Sōgō Appraisal Co., Ltd.	1,890	1,970	6.7	1,860	6.7 6.8 (Note 4)	7.0	180
RSC-18	AEON MALL Shinriku North Wing	The Tanizawa Sōgō Appraisal Co., Ltd.	2,280	2,360	6.3	2,250	6.3 6.4 (Note 4)	6.6	219

Property number	Property name	Appraisal agency	Appraisal value (Millions of yen) (Note 1)	Income approach value					NOI (Millions of yen) (Note 2)
				Price based on direct capitalization method (Millions of yen)	Capitalization rate (%)	Price based on DCF method (Millions of yen)	Discount rate (%)	Terminal capitalization rate (%)	
RSC-19	AEON MALL Yamagata-Minami	The Tanizawa Sōgō Appraisal Co., Ltd.	1,480	1,540	6.5	1,460	6.5 6.6 (Note 4)	6.8	140
RSC-20	AEON MALL Yokkaichi-Kita	The Tanizawa Sōgō Appraisal Co., Ltd.	2,500	2,600	6.0	2,450	6.0 6.1 (Note 4)	6.3	216
RSC-21	AEON MALL Yamatokoriyama (Note 7)	Japan Real Estate Institute	14,900	15,100	5.5	14,700	5.0	5.7	884
RSC-22	AEON MALL Chiba Newtown (mall, and cinema and sports complex) (Note 8)	Japan Real Estate Institute	12,100	12,200	4.7	12,000	4.4	4.9	626
RSC-23	AEON MALL Kofu Showa (Note 9)	Japan Real Estate Institute	17,200	17,300	5.6	17,100	5.1	5.8	989
RSC-24	AEON MALL Tomakomai	The Tanizawa Sōgō Appraisal Co., Ltd.	8,180	8,300	5.8	8,130	5.8 5.9 (Note 4)	6.0	529
RSC-25	AEON MALL Oyama	Japan Real Estate Institute	6,310	6,340	6.5	6,270	6.2	6.7	452
RSC-26	AEON MALL Itamikoya	Japan Real Estate Institute	17,600	17,800	5.5	17,300	5.0	5.7	1,022
RSC-27	AEON MALL Kagoshima	The Tanizawa Sōgō Appraisal Co., Ltd.	13,600	13,900	5.8	13,500	5.8 5.9 (Note 4)	6.1	878
RSC-28	AEON MALL Tsuchiura	Japan Real Estate Institute	12,100	12,200	6.1	12,000	5.6	6.3	801
RSC-29	AEON MALL Kahoku	Japan Real Estate Institute	10,600	10,600	6.7	10,600	6.2	6.9	755
RSC-30	AEON MALL Shimotsuma	Japan Real Estate Institute	10,600	10,600	6.2	10,500	5.8	6.4	657
RSC-31	AEON MALL Kyoto Gojo	The Tanizawa Sōgō Appraisal Co., Ltd.	13,900	14,200	4.8	13,800	4.8 4.9 (Note 4)	5.0	723
RSC-32	AEON MALL Fukutsu	The Tanizawa Sōgō Appraisal Co., Ltd.	18,600	18,900	5.3	18,400	5.3 5.4 (Note 4)	5.5	1,021
RSC-33	AEON MALL Tamadaira woods	The Tanizawa Sōgō Appraisal Co., Ltd.	10,200	10,700	4.9	9,940	4.9 5.0 (Note 4)	5.2	538
RSC-34	AEON MALL Takasaki	Daiwa Real Estate Appraisal Co., Ltd.	17,500	17,800	5.3	17,300	4.9	5.6	990
RSC-35	AEON MALL Narita	Daiwa Real Estate Appraisal Co., Ltd.	14,200	14,600	4.7	14,000	4.5	4.9	785
RSC-36	AEON MALL Shinkomatsu (Note 10)	The Tanizawa Sōgō Appraisal Co., Ltd.	15,500	16,000	—	15,300	6.3 6.4 (Note 4)	—	1,056
RSC-37	AEON MALL Sagayamato	The Tanizawa Sōgō Appraisal Co., Ltd.	3,830	3,960	6.2	3,770	6.2 6.3 (Note 4)	6.5	244
RSC-38	AEON MALL Wakayama (Note 11)	The Tanizawa Sōgō Appraisal Co., Ltd.	16,800	17,400	—	16,600	5.0 5.1 (Note 4)	—	1,010
RSC-39	AEON MALL Miyakonojo Ekimae	The Tanizawa Sōgō Appraisal Co., Ltd.	4,510	4,580	5.7	4,480	5.7 5.8 (Note 4)	5.9	316
CSC-1	AEON Chigasaki-Chuo Shopping Center	Japan Real Estate Institute	6,690	6,730	4.9	6,650	4.6	5.1	355
CSC-2	AEON STYLE Kemigawahama	Japan Real Estate Institute	3,770	3,810	6.0	3,730	5.5	6.2	277

Property number	Property name	Appraisal agency	Appraisal value (Millions of yen) (Note 1)	Income approach value					NOI (Millions of yen) (Note 2)
				Price based on direct capitalization method (Millions of yen)	Capitalization rate (%)	Price based on DCF method (Millions of yen)	Discount rate (%)	Terminal capitalization rate (%)	
CSC-3	AEON Kireuriwari Shopping Center	The Tanizawa Sōgō Appraisal Co., Ltd.	4,750	4,900	5.1	4,690	5.1 5.2 (Note 4)	5.4	250
CSC-4	AEON Ueda Shopping Center	Japan Real Estate Institute	5,840	5,870	6.5	5,810	6.2	6.7	381
L-1	Daiei-Kawasaki Process Center	Japan Real Estate Institute	16,200	16,400	4.4	15,900	3.8	4.8	766
L-2	AEON Minami-Osaka RDC	Japan Real Estate Institute	11,700	11,800	4.3	11,500	3.9	4.6	521
L-3	Daiei Ibaraki Process Center	Japan Real Estate Institute	8,000	8,050	4.4	7,940	4.1	4.6	409
M-1	AEON Taman Universiti Shopping Centre (Note 12)	Japan Real Estate Institute	635 [RM 20 million]	–	–	637 [RM 20 million]	6.8	7.8	49 [RM 1 million]
M-2	AEON MALL SEREMBAN 2 (Note 12) (Note 13)	Japan Real Estate Institute	7,475 [RM 241 million]	–	–	7,475 [RM 241 million]	6.3	6.5	469 [RM 15 million]
Total			499,599	–	–	494,681	–	–	–

(Note 1) *Appraisal value* represents the appraisal value indicated in the appraisal report with the valuation date of July 31, 2023, or the survey value indicated in the real estate survey report.

(Note 2) *NOI* (Net Operating Income) is defined as operating revenue less operating expenses contained in the relevant appraisal report, which is before depreciation. This is different from NCF (Net Cash Flow) calculated by subtracting the gain on investment of leasehold deposit, etc., and capital expenditures from NOI. *NOI* shown above is assumed with the direct capitalization method. Amounts of *NOI* are rounded down to the nearest million yen.

(Note 3) For AEON LakeTown mori and AEON LakeTown kaze, their *appraisal value, price based on direct capitalization method, price based on DCF method, and NOI* describe AEON REIT's pro-rata portion of the quasi-co-ownership interest (*jun kyōyū-mochibun*) in the trust beneficiary rights in real estate (40% for each property).

(Note 4) Discount rates for AEON LakeTown mori are 4.6% during the initial ten years and 4.7% from the eleventh year.
Discount rates for AEON LakeTown kaze are 4.9% during the initial ten years and 5.0% from the eleventh year.
Discount rates for AEON MALL Meiwa are 6.2% during the initial two years and 6.3% from the third year.
Discount rates for AEON MALL Sapporo-Hiraoka are 6.1% during the initial two years and 6.2% from the third year.
Discount rates for AEON MALL Kushiro-Showa are 6.7% during the initial year and 6.8% from the second year.
Discount rates for AEON MALL Shinrifu North Wing are 6.3% during the initial four years and 6.4% from the fifth year.
Discount rates for AEON MALL Yamagata-Minami are 6.5% during the initial two years and 6.6% from the third year.
Discount rates for AEON MALL Yokkaichi-Kita are 6.0% during the initial year and 6.1% from the second year.
Discount rates for AEON MALL Tomakomai are 5.8% during the initial six years and 5.9% from the seventh year.
Discount rates for AEON MALL Kagoshima are 5.8% during the initial three years and 5.9% from the fourth year.
Discount rates for AEON MALL Kyoto Gojo are 4.8% during the initial two years and 4.9% from the third year.
Discount rates for AEON MALL Fukutsu are 5.3% during the initial three years and 5.4% from the fourth year.
Discount rates for AEON MALL Tamadaira woods are 4.9% during the initial year and 5.0% from the second year.
Discount rates for AEON MALL Shinkomatsu are 6.3% during the initial six years and 6.4% from the seventh year.
Discount rates for AEON MALL Sagayamato are 6.2% during the initial eight years and 6.3% from the ninth year.
Discount rates for AEON MALL Wakayama are 5.0% during the initial nine years and 5.1% from the tenth year.
Discount rates for AEON MALL Miyakonojo Ekimae are 5.7% during the initial six years and 5.8% from the seventh year.
Discount rates for AEON Kireuriwari Shopping Center are 5.1% during the initial four years and 5.2% from the fifth year.

(Note 5) For AEON MALL Mitouchihara, there exist both a portion of trust beneficiary rights in real estate and a real estate portion, and as AEON REIT has obtained separate appraisal report for each, these have been entered separately.

(Note 6) For AEON MALL Nogata, AEON REIT additionally acquired land as of February 25, 2021.

(Note 7) For AEON MALL Yamatokoriyama, the amounts and figures are indicated by reflecting the sale of part of its land as announced in "Notice of Disposition of Part of Land of Domestic Property (AEON MALL Yamatokoriyama)" dated March 24, 2021.

(Note 8) For AEON MALL Chiba Newtown, AEON REIT additionally acquired land as of October 27, 2022.

(Note 9) For AEON MALL Kofu Showa, the amounts and figures are indicated combined with those of the Extended Building AEON REIT additionally acquired on September 3, 2018.

(Note 10) For AEON MALL Shinkomatsu, the price based on direct capitalization method is estimated by the capitalization method over a definite term (revised Inwood method), in consideration of such facts that the right of use of the land is fixed-term sub-leasehold interest for business purposes and thus its profit-earning period is limited.

(Note 11) For AEON MALL Wakayama, the price based on direct capitalization method is estimated by the capitalization method over a definite term (revised Inwood method), in consideration of such facts that the right of use of part of the land is fixed-term sub-leasehold interest for business purposes and thus its profit-earning period is limited.

(Note 12) Pursuant to the local appraisal methodology, the evaluation of the appraisal value of AEON Taman Universiti Shopping Centre and AEON MALL SEREMBAN 2 has been entrusted to Japan Real Estate Institute. *Appraisal value* of AEON Taman Universiti Shopping Centre is based on the appraisal value as indicated on the appraisal report as of the valuation date of January 31, 2023, and shows the amount equivalent to the rights (18.18%) similar to the co-ownership right (*kyōyū-mochibun*) of the trust property pertaining to the trust beneficiary rights in real estate in Malaysia for AEON Taman Universiti Shopping Centre. The prices and NOI in *Income approach value* are based on the value, etc. calculated by the standard income approach applied in Malaysia to real estate for investment (the investment method), and shows the amounts equivalent to the rights (18.18%) similar to the co-ownership right (*kyōyū-mochibun*) of the trust property pertaining to the trust beneficiary rights in real estate for AEON Taman Universiti Shopping Centre. *Appraisal value* of AEON MALL SEREMBAN 2 shows the appraisal value as indicated on the appraisal report as of the valuation date of July 31, 2023. The amounts indicated in yen in *Appraisal value* and the prices and NOI in *Income approach value* have been converted to the yen using the exchange rate (RM 1 = ¥31.02; rounded down to the second decimal place) of the closing date (July 31, 2023).

(Note 13) The property is owned by AEON REIT through the Overseas SPC.

(D) Statements of income of individual properties

21st fiscal period (From February 1, 2023, to July 31, 2023)

(Unit: Thousands of yen)

Property number	SRSC-1	SRSC-2	RSC-1	RSC-2	RSC-3
Property name	AEON LakeTown mori	AEON LakeTown kaze	AEON MALL Morioka	AEON MALL Ishinomaki	AEON MALL Mitouchihara
Number of operating days	181	181	181	181	181
(A) Revenues related to real estate leasing business	680,357	336,699	368,653	351,138	720,270
Rent revenue—real estate	680,357	336,699	368,653	351,138	720,270
(B) Expenses related to real estate leasing business	120,797	156,120	119,292	133,932	184,687
Property and facility management fees (Note 1)	1,826	1,284	1,820	1,790	1,400
Taxes and dues	79,144	30,928	41,852	45,745	71,236
Insurance expenses	9,641	6,885	6,326	4,316	11,004
Repairs and maintenance expenses	30,049	37,232	19,523	27,356	25,055
Land rent paid	16	78,959	49,748	54,704	75,121
Utilities	—	—	—	—	—
Other expenses related to rent business	119	829	21	19	870
(C) NOI (A – B)	559,560	180,578	249,361	217,205	535,583
(D) Depreciation	207,903	98,456	89,606	56,308	127,806
(E) Income from leasing business (C – D)	351,656	82,122	159,755	160,897	407,776
(F) Capital expenditures	3,773	45,926	111,074	11,331	46,470
(G) NCF (C – F)	555,787	134,652	138,286	205,874	489,112

(Note 1) *Property and facility management fees* include trust fees.(Note 2) *Revenues related to real estate leasing business* and *Expenses related to real estate leasing business* represent the amount after the conversion to Japanese yen based on the exchange rate at the time of the transaction (based on the average spot exchange rate of the month preceding the month in which the transaction was carried out).

(Unit: Thousands of yen)

Property number	RSC-4	RSC-5	RSC-6	RSC-7	RSC-8
Property name	AEON MALL Ota	AEON Sagamihara Shopping Center	AEON MALL Ogaki	AEON MALL Suzuka	AEON MALL Meiwa
Number of operating days	181	181	181	181	181
(A) Revenues related to real estate leasing business	481,166	418,108	324,040	458,724	217,411
Rent revenue—real estate	481,166	418,108	324,040	458,724	217,411
(B) Expenses related to real estate leasing business	198,427	101,274	139,143	99,983	85,064
Property and facility management fees (Note 1)	1,400	1,400	1,760	1,850	1,850
Taxes and dues	37,262	73,997	31,262	52,249	20,408
Insurance expenses	5,780	8,526	4,037	8,410	2,355
Repairs and maintenance expenses	21,354	17,331	7,870	32,314	22,739
Land rent paid	132,591	—	94,212	—	37,567
Utilities	—	—	—	—	—
Other expenses related to rent business	38	19	—	5,158	142
(C) NOI (A – B)	282,739	316,833	184,897	358,740	132,346
(D) Depreciation	93,247	98,336	61,042	140,655	44,152
(E) Income from leasing business (C – D)	189,492	218,497	123,855	218,084	88,193
(F) Capital expenditures	116,198	3,087	19,751	30,528	57,562
(G) NCF (C – F)	166,541	313,746	165,146	328,211	74,783

(Note 1) *Property and facility management fees* include trust fees.(Note 2) *Revenues related to real estate leasing business* and *Expenses related to real estate leasing business* represent the amount after the conversion to Japanese yen based on the exchange rate at the time of the transaction (based on the average spot exchange rate of the month preceding the month in which the transaction was carried out).

(Unit: Thousands of yen)

Property number	RSC-9	RSC-10	RSC-11	RSC-12	RSC-13
Property name	AEON MALL Kasai-Hojo	AEON MALL Hiezu	AEON MALL Kurashiki	AEON MALL Ayagawa	AEON MALL Nogata
Number of operating days	181	181	181	181	181
(A) Revenues related to real estate leasing business	324,170	428,471	745,736	453,772	547,007
Rent revenue—real estate	324,170	428,471	745,736	453,772	547,007
(B) Expenses related to real estate leasing business	67,808	135,750	275,380	154,489	113,551
Property and facility management fees (Note 1)	1,850	1,850	1,850	1,850	1,850
Taxes and dues	39,642	40,230	92,553	51,090	59,558
Insurance expenses	2,822	7,297	11,731	6,881	13,422
Repairs and maintenance expenses	13,615	14,209	169,175	9,708	38,705
Land rent paid	9,677	72,092	—	84,915	—
Utilities	—	—	—	—	—
Other expenses related to rent business	201	70	70	44	13
(C) NOI (A – B)	256,361	292,721	470,356	299,282	433,456
(D) Depreciation	95,474	152,669	249,370	185,775	176,646
(E) Income from leasing business (C – D)	160,887	140,052	220,986	113,506	256,810
(F) Capital expenditures	—	43,777	840,511	4,913	140,499
(G) NCF (C – F)	256,361	248,943	(370,154)	294,369	292,957

(Note 1) *Property and facility management fees* include trust fees.(Note 2) *Revenues related to real estate leasing business* and *Expenses related to real estate leasing business* represent the amount after the conversion to Japanese yen based on the exchange rate at the time of the transaction (based on the average spot exchange rate of the month preceding the month in which the transaction was carried out).

(Unit: Thousands of yen)

Property number	RSC-15	RSC-16	RSC-17	RSC-18	RSC-19
Property name	AEON MALL KYOTO	AEON MALL Sapporo-Hiraoka	AEON MALL Kushiro-Showa	AEON MALL Shinriku North Wing	AEON MALL Yamagata-Minami
Number of operating days	181	181	181	181	181
(A) Revenues related to real estate leasing business	707,469	448,093	230,475	208,453	162,485
Rent revenue—real estate	707,469	448,093	230,475	208,453	162,485
(B) Expenses related to real estate leasing business	168,304	225,783	155,801	189,268	100,294
Property and facility management fees (Note 1)	1,562	2,180	2,180	1,760	1,820
Taxes and dues	136,575	43,183	30,228	21,080	17,697
Insurance expenses	11,616	6,065	3,896	4,681	3,886
Repairs and maintenance expenses	18,536	8,878	22,763	95,808	12,349
Land rent paid	—	165,475	96,733	65,915	64,541
Utilities	—	—	—	—	—
Other expenses related to rent business	14	—	—	23	—
(C) NOI (A – B)	539,165	222,310	74,674	19,185	62,191
(D) Depreciation	186,746	77,783	33,923	61,480	23,555
(E) Income from leasing business (C – D)	352,419	144,526	40,750	(42,294)	38,635
(F) Capital expenditures	46,117	12,790	3,450	503,967	2,163
(G) NCF (C – F)	493,047	209,519	71,223	(484,782)	60,028

(Note 1) *Property and facility management fees* include trust fees.(Note 2) *Revenues related to real estate leasing business* and *Expenses related to real estate leasing business* represent the amount after the conversion to Japanese yen based on the exchange rate at the time of the transaction (based on the average spot exchange rate of the month preceding the month in which the transaction was carried out).

(Unit: Thousands of yen)

Property number	RSC-20	RSC-21	RSC-22	RSC-23	RSC-24
Property name	AEON MALL Yokkaichi-Kita	AEON MALL Yamatokoriyama	AEON MALL Chiba Newtown (mall, and cinema and sports complex)	AEON MALL Kofu Showa	AEON MALL Tomakomai
Number of operating days	181	181	181	181	181
(A) Revenues related to real estate leasing business	234,544	764,665	401,889	671,319	343,663
Rent revenue–real estate	234,544	764,665	401,889	671,319	343,663
(B) Expenses related to real estate leasing business	125,145	336,586	85,909	179,874	75,563
Property and facility management fees (Note 1)	1,760	1,760	1,670	1,820	1,850
Taxes and dues	20,814	58,622	70,688	60,911	59,549
Insurance expenses	2,947	8,971	7,277	7,705	5,472
Repairs and maintenance expenses	8,154	21,385	6,083	16,442	8,690
Land rent paid	91,469	245,786	–	92,995	–
Utilities	–	–	–	–	–
Other expenses related to rent business	–	60	190	–	–
(C) NOI (A – B)	109,399	428,078	315,979	491,444	268,100
(D) Depreciation	39,051	180,962	79,361	263,733	80,771
(E) Income from leasing business (C – D)	70,347	247,115	236,618	227,711	187,328
(F) Capital expenditures	41,570	–	–	6,153	54,449
(G) NCF (C – F)	67,828	428,078	315,979	485,291	213,650

(Note 1) *Property and facility management fees* include trust fees.(Note 2) *Revenues related to real estate leasing business* and *Expenses related to real estate leasing business* represent the amount after the conversion to Japanese yen based on the exchange rate at the time of the transaction (based on the average spot exchange rate of the month preceding the month in which the transaction was carried out).

(Unit: Thousands of yen)

Property number	RSC-25	RSC-26	RSC-27	RSC-28	RSC-29
Property name	AEON MALL Oyama	AEON MALL Itamikoya	AEON MALL Kagoshima	AEON MALL Tsuchiura	AEON MALL Kahoku
Number of operating days	181	181	181	181	181
(A) Revenues related to real estate leasing business	275,993	845,547	592,152	530,741	489,333
Rent revenue–real estate	275,993	845,547	592,152	530,741	489,333
(B) Expenses related to real estate leasing business	50,868	343,432	157,055	130,411	121,069
Property and facility management fees (Note 1)	1,400	1,376	1,688	1,334	1,580
Taxes and dues	30,933	91,799	93,249	51,917	39,380
Insurance expenses	3,923	10,171	10,002	6,483	5,656
Repairs and maintenance expenses	14,605	16,857	19,321	6,092	16,004
Land rent paid	–	223,227	32,792	64,567	58,428
Utilities	–	–	–	–	–
Other expenses related to rent business	5	–	–	17	20
(C) NOI (A – B)	225,124	502,115	435,097	400,329	368,263
(D) Depreciation	90,202	185,281	180,829	154,746	167,720
(E) Income from leasing business (C – D)	134,922	316,833	254,267	245,582	200,543
(F) Capital expenditures	8,747	2,569	41,109	–	8,611
(G) NCF (C – F)	216,376	499,546	393,988	400,329	359,652

(Note 1) *Property and facility management fees* include trust fees.(Note 2) *Revenues related to real estate leasing business* and *Expenses related to real estate leasing business* represent the amount after the conversion to Japanese yen based on the exchange rate at the time of the transaction (based on the average spot exchange rate of the month preceding the month in which the transaction was carried out).

(Unit: Thousands of yen)

Property number	RSC-30	RSC-31	RSC-32	RSC-33	RSC-34
Property name	AEON MALL Shimotsuma	AEON MALL Kyoto Gojo	AEON MALL Fukutsu	AEON MALL Tamadaira woods	AEON MALL Takasaki
Number of operating days	181	181	181	181	181
(A) Revenues related to real estate leasing business	407,972	439,034	622,310	578,688	732,447
Rent revenue—real estate	407,972	439,034	622,310	578,688	732,447
(B) Expenses related to real estate leasing business	98,055	82,842	120,990	306,047	226,258
Property and facility management fees (Note 1)	1,610	1,412	1,580	1,340	1,340
Taxes and dues	27,484	68,732	77,865	52,814	79,210
Insurance expenses	4,544	5,495	8,134	5,615	9,717
Repairs and maintenance expenses	24,012	7,203	15,348	2,067	9,672
Land rent paid	40,378	—	18,042	244,190	125,886
Utilities	—	—	—	—	—
Other expenses related to rent business	25	—	20	20	430
(C) NOI (A – B)	309,916	356,191	501,319	272,640	506,189
(D) Depreciation	121,388	76,878	154,011	94,613	210,031
(E) Income from leasing business (C – D)	188,528	279,313	347,307	178,027	296,157
(F) Capital expenditures	—	—	1,071	—	23,954
(G) NCF (C – F)	309,916	356,191	500,248	272,640	482,235

(Note 1) *Property and facility management fees* include trust fees.(Note 2) *Revenues related to real estate leasing business* and *Expenses related to real estate leasing business* represent the amount after the conversion to Japanese yen based on the exchange rate at the time of the transaction (based on the average spot exchange rate of the month preceding the month in which the transaction was carried out).

(Unit: Thousands of yen)

Property number	RSC-35	RSC-36	RSC-37	RSC-38	RSC-39
Property name	AEON MALL Narita	AEON MALL Shinkomatsu	AEON MALL Sagayamato	AEON MALL Wakayama	AEON MALL Miyakonojo Ekimae
Number of operating days	181	181	181	181	181
(A) Revenues related to real estate leasing business	569,410	717,912	176,060	780,138	212,033
Rent revenue—real estate	569,410	717,912	176,060	780,138	212,033
(B) Expenses related to real estate leasing business	189,527	183,157	57,516	161,933	9,505
Property and facility management fees (Note 1)	1,340	1,520	1,520	1,213	1,513
Taxes and dues	54,668	72,118	19,254	—	—
Insurance expenses	8,094	6,175	5,097	11,309	5,079
Repairs and maintenance expenses	17,933	5,523	—	5,320	2,908
Land rent paid	107,469	97,800	31,627	144,085	—
Utilities	—	—	—	—	—
Other expenses related to rent business	21	19	17	4	3
(C) NOI (A – B)	379,883	534,755	118,543	618,204	202,527
(D) Depreciation	95,256	290,158	53,464	272,973	50,328
(E) Income from leasing business (C – D)	284,626	244,596	65,079	345,230	152,199
(F) Capital expenditures	45,096	—	—	1,417	—
(G) NCF (C – F)	334,786	534,755	118,543	616,787	202,527

(Note 1) *Property and facility management fees* include trust fees.(Note 2) *Revenues related to real estate leasing business* and *Expenses related to real estate leasing business* represent the amount after the conversion to Japanese yen based on the exchange rate at the time of the transaction (based on the average spot exchange rate of the month preceding the month in which the transaction was carried out).

(Unit: Thousands of yen)

Property number	CSC-1	CSC-2	CSC-3	CSC-4	L-1
Property name	AEON Chigasaki-Chuo Shopping Center	AEON STYLE Kemigawahama	AEON Kireuiwari Shopping Center	AEON Ueda Shopping Center	Daiei-Kawasaki Process Center
Number of operating days	181	181	181	181	181
(A) Revenues related to real estate leasing business	224,326	174,772	173,046	223,964	480,543
Rent revenue—real estate	224,326	174,772	173,046	223,964	480,543
(B) Expenses related to real estate leasing business	80,656	40,600	50,512	36,964	103,983
Property and facility management fees (Note 1)	1,400	1,298	1,406	1,400	1,580
Taxes and dues	34,917	16,154	21,304	30,845	47,805
Insurance expenses	3,969	2,249	3,159	4,707	8,368
Repairs and maintenance expenses	40,350	5,823	—	—	8,079
Land rent paid	—	15,056	24,625	—	6
Utilities	—	—	—	—	37,876
Other expenses related to rent business	19	18	17	11	267
(C) NOI (A – B)	143,669	134,171	122,534	186,999	376,559
(D) Depreciation	60,586	54,550	28,588	65,404	95,304
(E) Income from leasing business (C – D)	83,082	79,621	93,945	121,595	281,255
(F) Capital expenditures	79,420	7,737	—	—	7,860
(G) NCF (C – F)	64,248	126,434	122,534	186,999	368,699

(Note 1) *Property and facility management fees* include trust fees.(Note 2) *Revenues related to real estate leasing business* and *Expenses related to real estate leasing business* represent the amount after the conversion to Japanese yen based on the exchange rate at the time of the transaction (based on the average spot exchange rate of the month preceding the month in which the transaction was carried out).

(Unit: Thousands of yen)

Property number	L-2	L-3	M-1	
Property name	AEON Minami-Osaka RDC	Daiei Ibaraki Process Center	AEON Taman Universiti Shopping Centre (Note 2)	Total
Number of operating days	181	181	181	—
(A) Revenues related to real estate leasing business	289,620	251,197	25,528	20,841,568
Rent revenue—real estate	289,620	251,197	25,528	20,841,568
(B) Expenses related to real estate leasing business	31,625	55,103	1,626	6,367,984
Property and facility management fees (Note 1)	1,370	1,700	497	76,411
Taxes and dues	25,224	39,355	1,006	2,262,558
Insurance expenses	4,372	5,151	121	309,562
Repairs and maintenance expenses	640	8,877	—	931,978
Land rent paid	—	—	—	2,740,708
Utilities	—	—	—	37,876
Other expenses related to rent business	18	19	0	8,888
(C) NOI (A – B)	257,994	196,093	23,901	14,473,584
(D) Depreciation	67,487	21,302	6,511	5,502,443
(E) Income from leasing business (C – D)	190,506	174,791	17,390	8,971,140
(F) Capital expenditures	—	—	11,877	2,385,542
(G) NCF (C – F)	257,994	196,093	12,024	12,088,041

(Note 1) *Property and facility management fees* include trust fees.(Note 2) *Revenues related to real estate leasing business* and *Expenses related to real estate leasing business* represent the amount after the conversion to Japanese yen based on the exchange rate at the time of the transaction (based on the average spot exchange rate of the month preceding the month in which the transaction was carried out).

(2) Capital expenditures for properties held

(A) Schedule of capital expenditures

The following table shows major estimated capital expenditure for renovation work, etc. (mainly those exceeding ¥30 million per work) that AEON REIT plans to conduct for properties held as of July 31, 2023.

The estimated construction cost below includes the portion expensed for accounting purposes.

Property name (Location)	Purpose	Scheduled period	Estimated cost of construction works (Millions of yen)		
			Total amount	Payment for the period	Total amount already paid
AEON LakeTown mori (Koshigaya City, Saitama Pref.)	Work on exterior renewal	From September 2023 to November 2023	192	—	—
	Renewal of central monitoring boards	From August 2023 to January 2024	88	—	—
	Renewal of air-conditioning units	From December 2023 to January 2024	35	—	—
	Renewal of air-conditioning units	From March 2023 to May 2024	66	—	—
	Revitalization	From May 2024 to July 2024	102	—	—
	Work on exterior renewal	From May 2024 to July 2024	41	—	—
	Work on exterior renewal	From May 2024 to July 2024	41	—	—
AEON LakeTown kaze (Koshigaya City, Saitama Pref.)	Countermeasures against ground subsidence	From September 2023 to December 2023	58	—	—
AEON MALL Morioka (Morioka City, Iwate Pref.)	Renewal of air-conditioning units	From November 2023 to November 2023	77	—	—
	Renewal of electrical facilities	From April 2024 to April 2024	60	—	—
AEON MALL Ishinomaki (Ishinomaki City, Miyagi Pref.)	Building renovation	From August 2023 to September 2023	31	—	—
AEON MALL Mitouchihara (Mito City, Ibaraki Pref.)	Work on exterior renewal	From September 2023 to November 2023	50	—	—
	Work on exterior renewal	From March 2024 to April 2024	60	—	—
AEON MALL Ota (Ota City, Gunma Pref.)	Renewal of disaster prevention facilities	From April 2023 to September 2023	56	—	—
	Renewal of central monitoring boards	From April 2023 to August 2023	60	—	—
	Renewal of air-conditioning units	From October 2023 to November 2023	175	—	—
	Exterior wall painting	From January 2023 to March 2024	587	—	—
	Renewal of air-conditioning units	From February 2024 to February 2024	88	—	—
AEON Sagamihara Shopping Center (Sagamihara City, Kanagawa Pref.)	Renewal of sanitary facilities	From April 2024 to June 2024	41	—	—
	Renewal of disaster prevention facilities	From March 2024 to June 2024	36	—	—
AEON MALL Suzuka (Suzuka City, Mie Pref.)	Renewal of elevators	From June 2024 to June 2024	30	—	—
	Revitalization	From February 2024 to June 2024	280	—	—
	Renewal of hot/cold water generators	From November 2023 to May 2024	122	—	—
	Work on exterior fittings	From September 2023 to February 2024	80	—	—
AEON MALL Hiezu (Saihaku County, Tottori Pref.)	Renewal of air-conditioning units	From February 2024 to March 2024	30	—	—
AEON MALL Kurashiki (Kurashiki City, Okayama Pref.)	Renewal of air-conditioning units	From January 2024 to April 2024	30	—	—
	Renewal of air-conditioning units	From January 2024 to May 2024	63	—	—
AEON MALL Nogata (Nogata City, Fukuoka Pref.)	Work on exterior fittings	From June 2023 to August 2023	35	—	—
	Renewal of central monitoring boards	From October 2023 to October 2023	81	—	—
AEON MALL KYOTO (Kyoto City, Kyoto Pref.)	Renewal of disaster prevention facilities	From May 2023 to August 2023	46	—	—
	Renewal of air-conditioning units	From April 2024 to May 2024	30	—	—

Property name (Location)	Purpose	Scheduled period	Estimated cost of construction works (Millions of yen)		
			Total amount	Payment for the period	Total amount already paid
AEON MALL Kushiro-Showa (Kushiro City, Hokkaido Pref.)	Renewal of air-conditioning units	From September 2023 to December 2023	119	—	—
	Work on exterior renewal	From May 2024 to June 2024	18	—	—
AEON MALL Shinrifu North Wing (Miyagi County, Miyagi Pref.)	Renewal of disaster prevention facilities	From November 2023 to November 2023	32	—	—
	Renewal of air-conditioning units	From November 2023 to November 2023	39	—	—
	Building renovation	From December 2023 to January 2024	29	—	—
	Renewal of elevator parts	From June 2024 to July 2024	51	—	—
AEON MALL Yamagata-Minami (Yamagata City, Yamagata Pref.)	Renewal of air-conditioning units	From March 2024 to April 2024	51	—	—
AEON MALL Yamatokoriyama (Yamatokoriyama City, Nara Pref.)	Renewal of central monitoring boards	From June 2024 to June 2024	33	—	—
AEON MALL Tomakomai (Tomakomai City, Hokkaido Pref.)	Renewal of air-conditioning units	From June 2024 to June 2024	45	—	—
	Renewal of air-conditioning units	From May 2024 to May 2024	45	—	—
	Rooftop waterproofing	From May 2024 to May 2024	30	—	—
AEON MALL Narita (Narita City, Chiba Pref.)	Renewal of air-conditioning units	From October 2023 to December 2023	58	—	—
	Work on exterior renewal	From November 2023 to December 2023	68	—	—
	Renewal of central monitoring boards	From June 2023 to January 2024	79	—	—
	Renewal of air-conditioning units	From April 2024 to May 2024	53	—	—
AEON STYLE Kemigawahama (Chiba City, Chiba Pref.)	Renewal of elevators	From June 2024 to July 2024	43	—	—
AEON Ueda Shopping Center (Ueda City, Nagano Pref.)	Revitalization	From August 2022 to November 2023	892	—	—

(B) Capital expenditures during the period

For properties held by AEON REIT as of July 31, 2023, the major construction works that fall under capital expenditure (those exceeding ¥30 million per work) conducted by AEON REIT during the current fiscal period are shown in the table below. The capital expenditure for the current period amounted to ¥2,385 million. Combined with ¥931 million in repairs and maintenance that was classified as expenses as well as ¥48 million in loss on disaster from the earthquake off the coast of Fukushima Prefecture and Typhoon Nanmadol, AEON REIT conducted construction works totaling ¥3,365 million in the current fiscal period.

Property name (Location)	Purpose	Period	Cost of construction works (Millions of yen)
AEON MALL Morioka (Morioka City, Iwate Prefecture)	Renewal of gas bulk tanks	From November 2022 to May 2023	30
	Renewal of air-conditioning units	From March 2023 to May 2023	45
AEON MALL Shinrifu North Wing (Miyagi County, Miyagi Pref.)	Renewal of cubicles	From September 2022 to April 2023	183
	Renewal of air-conditioning units	From May 2023 to July 2023	230
	Renewal of air-conditioning units	From March 2023 to July 2023	55
AEON MALL Mitouchihara (Mito City, Ibaraki Pref.)	Renewal of air-conditioning units	From March 2023 to July 2023	39
AEON MALL Ota (Ota City, Gunma Pref.)	Renewal of air-conditioning units	From March 2023 to May 2023	92
AEON LakeTown kaze (Koshigaya City, Saitama Pref.)	Renewal of air-conditioning units	From February 2023 to March 2023	44
AEON MALL Narita (Narita City, Chiba Pref.)	Renewal of air-conditioning units	From March 2023 to April 2023	33
AEON Chigasaki-Chuo Shopping Center (Chigasaki City, Kanagawa Pref.)	Renewal of air-conditioning units	From February 2023 to May 2023	79
AEON MALL Meiwa (Taki County, Mie Pref.)	Rooftop waterproofing	From February 2023 to April 2023	30
AEON MALL Yokkaichi-Kita (Yokkaichi City, Mie Pref.)	Renewal of elevators	From May 2023 to June 2023	38
AEON MALL Kurashiki (Kurashiki City, Okayama Pref.)	Renovation of exterior walls	From September 2021 to March 2023	508
	Renewal of air-conditioning units	From August 2022 to May 2023	330
AEON MALL Nogata (Nogata City, Fukuoka Pref.)	Renewal of air-conditioning units	From March 2023 to April 2023	125
AEON Taman Universiti Shopping Centre (Johor, Malaysia)	Exterior wall painting	From October 2022 to May 2023	8