27th Period
Semi-Annual Report

For the fiscal period ended July 31, 2026

AEON REIT Investment Corporation

https://www.aeon-jreit.co.jp/en/index.html

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ÆON REIT Investment Corporation

AEON REIT's Portfolio

As of July 31, 2026

Kanto Region



SRSC-1
AEON LakeTown mori



SRSC-2
AEON LakeTown kaze



RSC-3
AEON MALL
Mitouchihara



RSC-4
AEON MALL Ota



RSC-5
AEON Sagamihara
Shopping Center



RSC-22
AEON MALL Chiba-
Newtown (Mall, Cinema
and Sports building)



RSC-25
AEON MALL Oyama



RSC-28
AEON MALL Tsuchiura



RSC-30
AEON MALL
Shimotsuma



RSC-33
AEON MALL
Tamadaira woods



RSC-34
AEON MALL Takasaki



RSC-35
AEON MALL Narita



CSC-1
AEON Chigasaki-Chuo
Shopping Center



CSC-2
AEON STYLE
Kemigawahama



NSC-1
PIA CITY Miyashiro
(Land)



SM-1
KASUMI FOOD SQUARE
Hitachikamine (Land)



SM-2
KASUMI FOOD SQUARE
Mitomigawa (Land)



L-1
Daiei-Kawasaki
Process Center



L-4
KASUMI Chuo
Distribution Center (Land)



L-5
KASUMI Sakura
Distribution Center (Land)

Kinki, Chugoku and Shikoku Regions



RSC-9
AEON MALL Kasai-Hojo



RSC-10
AEON MALL Hiezu



RSC-11
AEON MALL Kurashiki



RSC-12
AEON MALL Ayagawa



RSC-15
AEON MALL KYOTO



RSC-21
AEON MALL
Yamatokoriyama



RSC-26
AEON MALL Itamikoya



RSC-31
AEON MALL Kyoto Gojo



RSC-38
AEON MALL Wakayama



CSC-3
AEON Kireuriwari
Shopping Center



L-2
AEON Minami-Osaka
RDC



L-3
Daiei-Ibaraki Process
Center

Kyushu and Okinawa Regions



RSC-13
AEON MALL Nogata



RSC-27
AEON MALL
KAGOSHIMA BAY



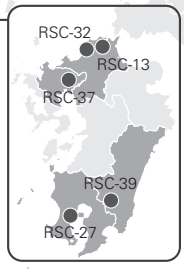
RSC-32
AEON MALL Fukutsu

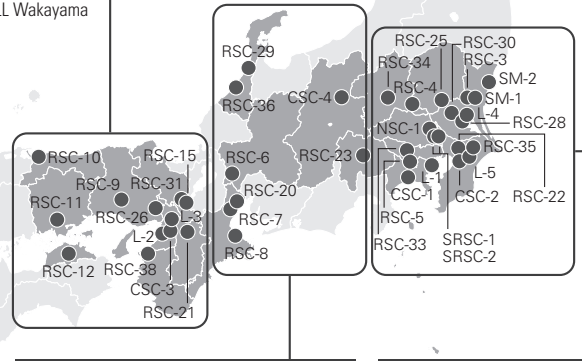


RSC-37
AEON MALL Sagayamato



RSC-39
AEON MALL Miyakonojo Ekimae





Tokai, Hokuriku and Chubu Regions



RSC-6
AEON MALL Ogaki

RSC-7
AEON MALL Suzuka

RSC-8
AEON MALL Meiwa

RSC-20
AEON MALL
Yokkaichi-Kita

RSC-23
AEON MALL Kofu Showa

RSC-29
AEON MALL Kahoku

RSC-36
AEON MALL
Shinkomatsu

CSC-4
AEON Ueda Shopping
Center

Hokkaido and Tohoku Regions

RSC-1
AEON MALL Morioka

RSC-2
AEON MALL Ishinomaki

RSC-16
AEON MALL
Sapporo-Hiraoka

RSC-17
AEON MALL
Kushiro-Showa

RSC-18
AEON MALL Shinrifu
North Wing

RSC-24
AEON MALL Tomakomai

● Existing properties

Location of existing properties

ASEAN Region

Malaysia

M-1
AEON Taman Universiti
Shopping Centre

M-2
AEON MALL
SEREMBAN 2

Highly Transparent Management Structure

Remuneration Policy for the Asset Manager's Directors, Corporate Auditors and Employees

1. Remuneration for Asset Manager Directors

(1) The Board of Directors approves remuneration for directors within the limits for total remuneration for directors authorized by the General Meeting of Shareholders.
(2) Remuneration for individual directors is determined through comprehensive assessment that includes corporate performance, individual evaluation and other circumstances.
(3) Remuneration for directors is structured as follows (except for outside directors, who receive only base remuneration and do not receive any performance-based remuneration or prepaid retirement allowances):
   1) Base remuneration: Determined individually within standard amounts based on position and rank.
   2) Performance-based remuneration: Determined within a range of 0 percent to 200 percent of the standard amount according to corporate performance during the relevant fiscal period and individual assessment (e.g., performance for which the director is responsible, degree to which targets were achieved, relative difficulty of responsibilities, and importance of responsibilities). One hundred percent of the standard amount is paid upon achievement of targets set at the beginning of the fiscal period.
   3) Prepaid retirement allowance: Determined based on the following formula that applies a coefficient based on position and rank to base remuneration.

      Prepaid retirement allowance (monthly payment) = Base remuneration x coefficient ÷ 12 (rounded to the nearest thousand yen)

2. Remuneration for Asset Manager Corporate Auditors

(1) Remuneration for corporate auditors is determined by resolution of the General Meeting of Shareholders.
(2) Corporate auditors may express opinions, if any, regarding matters including remuneration for corporate auditors as needed to the Board of Directors and the General Meeting of Shareholders.

3. Remuneration for Asset Manager Employees

(1) Employees of the Asset Manager receive remuneration according to their relative contribution to and expectations for the achievement of management targets.
(2) Remuneration, methods of calculation and payment, timing of payment, and increases in remuneration are determined according to compensation rules.
(3) Monthly remuneration is composed of job-based pay, merit pay and adjustments. Employees may receive increases or reductions after twelve months of their current job-based and merit pay based on personnel evaluations during the year. Such increases or decreases will be set based on a pay table determined for each job category.
(4) Bonuses are calculated based on sales and performance, and are determined after deliberation by the Board of Directors. Bonuses take into account issues including qualifications (pay grades), personnel evaluations, performance, and attendance.

Remuneration for Asset Manager Directors and Corporate Auditors

March 1, 2025 to February 28, 2026

	Directors		Corporate auditors		Total	
	Number of person(s) remunerated	Remuneration	Number of person(s) remunerated	Remuneration	Number of person(s) remunerated	Remuneration
Remuneration based on Articles of Incorporation and resolutions of the General Meeting of Shareholders	4	¥74 million	2	¥2 million	6	¥77 million (Note 1, 2)

Notes: 1. Remuneration for directors is as per the Companies Act of Japan, Article 361, Paragraph 1, Item 1.
2. Annual remuneration is limited to ¥500 million for directors and ¥100 million for corporate auditors, as per the Extraordinary General Meeting of Shareholders held on August 28, 2012.
3. The number of person(s) remunerated as Directors excludes two directors ineligible for remuneration.
4. The number of person(s) remunerated as Corporate auditors includes one corporate auditor who resigned at the 13th Ordinary General Meeting of Shareholders held on May 23, 2025.

Remuneration for Asset Manager Employees

March 1, 2025 to February 28, 2026

	All employees			
	Number of employees	Remuneration		
		Total	Fixed	Variable (Note)
Remuneration based on compensation rules	39	¥329 million	¥245 million	¥84 million

Note: Please refer to "3. Remuneration for Asset Manager Employees (4)" on how variable remuneration is determined.

The Asset Manager also introduced a unit ownership plan for directors and employees in May 2014.
The plan will keep directors and employees focused on AEON REIT's unit price and improving performance, with the objective of maximizing unitholder value by giving directors and employees an economic incentive to serve unitholder interests by increasing unit price.
There are potential conflicts of interest between AEON REIT and the Asset Manager with respect to remuneration for the Asset Manager's directors, corporate auditors and employees. We believe that the above remuneration policy mitigates such potential conflicts. In addition, the Asset Manager has adopted an internal set of rules that apply to all related-party transactions, such as transactions between AEON REIT and the Asset Manager. These rules require strict compliance by the Asset Manager with laws and regulations regarding related-party transactions. They also contain specific procedures to be followed in the event of a transaction that involves a related party, in order to implement arm's length terms.

Matters Concerning Officers

The Executive Director, Supervisory Directors and Independent Auditor for the current fiscal period are as follows.

Position	Name	Major additional post	Compensation or fee for the six months ended July 31, 2026 (Note 2) (Unit: Thousands of yen)
Executive Director (Note 1)	Nobuaki Seki	Representative Director and President of AEON Reit Management Co., Ltd	—
Supervisory Director (Note 1)	Yoko Seki	Attorney of the Ginza Prime Law Office	1,800
	Makiko Terahara	Attorney of Tokyo Omotesando Law & Accounting LPC	1,800
Independent Auditor (Note 3)	PricewaterhouseCoopers Japan LLC	—	19,100

Notes 1. As of July 31, 2026, Nobuaki Seki does not hold any investment unit of AEON REIT Investment Corporation. Each of the Supervisory Directors does not hold any investment unit of the Investment Corporation.
In addition, the Supervisory Directors may be directors of other corporations not listed in the table above, but there are no special relationships between each of the Supervisory Directors and the Investment Corporation.
2. For the Executive Director and Supervisory Directors, the amount paid during the current fiscal period, and for the Independent Auditor, the amount payable as compensation or fee for the audit during the current fiscal period.
3. The amount of fee or compensation to the Independent Auditor and to firms belonging to the same network as the Independent Auditor for audit services and non-audit services of the investment corporation for the 27th fiscal period is 19.1 million yen and 3 million yen. The amount of fee or compensation for audit services and non-audit services of the JAMBATAN MANSEIBASHI (M) Sdn. Bhd. for the 27th fiscal period is 3 million yen and 0 million yen. The exchange rate on the closing date (July 31, 2026) of RM1 = ¥39.41 (rounded down to the second decimal place) is applied. 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.

Summary of Selected Financial Data

	Millions of yen (Except per unit data and where otherwise indicated)					Millions of U.S. dollars (Note 4) (Except per unit data)
	23rd Period February 1, 2024 to July 31, 2024	24th Period August 1, 2024 to January 31, 2025	25th Period February 1, 2025 to July 31, 2025	26th Period August 1, 2025 to January 31, 2026	27th Period February 1, 2026 to July 31, 2026	27th Period February 1, 2026 to July 31, 2026
Operating revenue (Note 1)	¥ 21,161	¥ 21,190	¥ 21,572	¥ 21,306	¥ 21,438	$ 133
Revenues related to real estate leasing business	20,978	21,007	21,089	21,106	21,208	131
Operating expenses	13,491	13,137	13,380	13,327	14,240	88
Expenses related to real estate leasing business	12,340	11,937	12,190	12,121	13,119	81
Operating income	7,670	8,053	8,192	7,978	7,197	44
Ordinary income	6,670	6,971	7,141	6,865	6,061	37
Net income (net loss)	6,598	6,860	7,075	6,820	5,968	37
Net operating income (NOI) from property leasing (Note 2)	13,954	14,433	14,127	14,232	13,328	82
Funds from operation (FFO) (Note 2)	11,915	12,223	12,006	12,068	11,201	69
Total cash distributions	7,093	7,064	7,178	7,148	7,127	44
Ratio of total cash distributions to FFO (%) (Note 2)	59.5	57.8	59.8	59.2	63.6	
Depreciation	5,316	5,363	5,228	5,247	5,239	32
Capital expenditures (Note 7)	1,785	1,903	1,716	2,923	3,097	19
Total assets	458,583	451,148	456,177	449,972	449,312	2,795
Interest-bearing debt	188,400	188,400	193,900	187,900	187,900	1,169
Net assets	246,751	243,808	243,819	243,462	242,282	1,507
Unitholders' capital (Note 6)	239,903	236,948	236,741	236,641	236,313	1,470
Total number of investment units issued and outstanding (Units)	2,123,952	2,102,569	2,102,569	2,102,569	2,102,569	
FFO per unit (¥/$) (Note 2)	5,610	5,813	5,710	5,739	5,327	33
Net assets per unit (¥/$)	116,175	115,957	115,962	115,792	115,231	716
Distribution per unit (¥/$)	3,340	3,360	3,414	3,400	3,390	21
Distribution of retained earnings per unit (¥/$)	3,224	3,262	3,366	3,244	2,839	17
Distribution in excess of retained earnings per unit (¥/$)	116	98	48	156	551	3
Payout ratio (%) (Note 2)	103.8	100.0	100.0	100.0	100.0	
Return on assets (ROA) (%) (Note 2)	1.5	1.5	1.6	1.5	1.3	
Return on equity (ROE) (%) (Note 2)	2.7	2.8	2.9	2.8	2.5	
Equity ratio (%) (Note 2)	53.8	54.0	53.4	54.1	53.9	
Loan to value (LTV) (%) (Note 2)	44.3	45.0	45.7	45.0	45.1	
Number of days in the period (Note 3)	182	184	181	184	181	
Number of investment properties (Note 5)	49	49	53	53	53	
Total leasable area (m^2) (Note 5)	4,262,794	4,262,794	4,339,016	4,339,021	4,329,882	
Occupancy rate (%) (Note 2, 5)	100	100	100	100	100	

Notes: 1. Operating revenues do not include consumption tax.

2. Calculations used above are as follows:
   - **NOI from property leasing**: Revenues related to real estate leasing business – Expenses related to real estate leasing business + Depreciation
   - **FFO**: Net income (excluding Gain or Loss on sale of investment properties) + Depreciation
   - **Ratio of total cash distributions to FFO**: Total cash distributions (including distribution in excess of retained earnings) ÷ FFO × 100
   - **FFO per unit**: FFO ÷ Total number of investment units issued and outstanding
   - **Payout ratio**: Distribution per unit (excluding distribution in excess of retained earnings) ÷ Net income per unit × 100. The payout ratio for the 24th Period was calculated as follows because of the acquisition and cancellation of treasury investment units: Total cash distributions (excluding distribution in excess of retained earnings) ÷ Net income × 100

- **ROA**: Income (loss) before income taxes / (Total assets at beginning of period + Total assets at end of period) ÷ 2 × 100
- **ROE**: Net income (loss) / (Net assets at beginning of period + Net assets at end of period) ÷ 2 × 100
- **Equity ratio**: Net assets at end of period ÷ Total assets at end of period × 100
- **LTV**: (Interest-bearing debt + Tenant leasehold and security deposits) ÷ Total assets × 100
- **Occupancy rate**: Total leased area ÷ Total leasable area at the end of the period. The occupancy rate is 100 percent as of July 31, 2026 because AEON REIT operated all properties under master lease agreements.

3. Number of days in the period refers to the number of days of actual asset management.
4. The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of readers outside Japan and have been made at the rate of ¥160.72 to $1, the approximate rate of exchange at July 31, 2026.
5. The figure includes AEON MALL SEREMBAN 2 that AEON REIT owns through the Overseas SPC.
6. The figure represents the net value obtained by subtracting the deduction from unitholders' capital.
7. The figure includes real estate acquisition tax in the period when such tax was assessed and levied.

Operations and Results

(1) Overview

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.

The real estate held by AEON REIT as of July 31, 2026, totaled 53 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 ¥480,596 million. Total leasable area is 4,329,882.55 m^2 and the occupancy rate of the entire portfolio is 100.0% as of the same date.

(2) Operating Environment and Performance

Operating Environment

In the fiscal period under review (the 27th fiscal period), the Japanese economy saw the real GDP growth rate (first preliminary estimates) for April through June 2026 increase by 0.3% quarter on quarter, recording growth for the third consecutive quarter. Due to the decrease in imports against the backdrop of the situation in the Middle East, in addition to the increase in exports, net exports pushed up growth. On the other hand, private consumption and capital investment decreased against the backdrop of a sense of uncertainty about the situation in the Middle East, and the contribution of domestic demand was limited. However, the overall economy continued to be on a gradual recovery trend. As for the Malaysian economy, the real GDP growth rate for the second quarter of 2026 rose 6.0% year on year. Private consumption remained strong against the backdrop of improvements in employment and income environments and income support policies by the government. In addition, due to a worldwide increase in AI-related demand, exports and production increased mainly for electrical and electronic products, supporting economic growth.

In the real estate investment market, market participants remained highly willing to acquire properties, despite the rise in domestic interest rates. Although the market feels 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.

The J-REIT market remained weak amid the rise in domestic interest rates as the Bank of Japan is gradually raising the policy rates despite maintaining a monetary easing stance. The Tokyo Stock Exchange (TSE) REIT Index at the end of the fiscal period under review was 1,851.77 points based on closing price.

Performance

In the fiscal period under review, AEON REIT transferred part of the building of Daiei-Ibaraki Process Center (transfer price: ¥103 million) in July 2026. As for AEON Taman Universiti Shopping Centre, a property owned overseas, AEON REIT renewed the master lease agreement due to the termination of the lease agreement. As part of an internal growth initiative, coinciding with the reopening of AEON MALL Morioka, a fire shutter was installed due to changes in the tenant layout to expand the event hall, and flooring was replaced in the common area on the second floor of the building. Through such efforts, AEON REIT worked to improve the environment inside the building as well as achieved rent increase. At AEON MALL KAGOSHIMA BAY, installation work of an inverter panel was conducted for the purpose of reducing electricity consumption and greenhouse gas emissions for air conditioning equipment. The rent was therefore able to be increased to reflect a portion of the tenant's (master lessee's) utility cost savings resulting from the installation work. In addition, rent increases were also achieved at AEON MALL Wakayama and AEON MALL Ogaki.

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.

Financing

As of July 31, 2026, AEON REIT had a balance of interest-bearing debt totaling ¥187,900 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 45.1%.

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 100.0% as of July 31, 2026. 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 100.0% 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 has worked 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, 2026, AEON REIT had the following credit rating.

Credit Rating Agency	Rating type	Credit Rating	Outlook
Japan Credit Rating Agency, Ltd.	Long-term issuer credit rating	AA	Stable

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. With an aim to clarify its policy and structure for addressing ESG issues and promote enhanced disclosure of said endeavors, AEON Reit Management Co., Ltd., which 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) in December 2021 and announced KPIs in 2023.

A variety of initiatives have been recognized by external institutions; AEON REIT obtained "Four Star" in the GRESB (Global Real Estate Sustainability Benchmark) Real Estate Assessment, which grants ratings in five stages based on global ranking of total scores in October 2025. AEON REIT also received GRESB's "Green Star" rating for the tenth consecutive year, evaluated as an excellent participant in both 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. It also received the highest "A Level" for the fifth consecutive year for the GRESB Public Disclosure, which assess the breadth of ESG disclosure. In March 2026, it received an "AA" rating in the MSCI ESG rating.

As for assessment for properties, AEON REIT re-obtained DBJ Green Building Certification for 6 properties in total in the fiscal period under review. As of the end of the 27th fiscal period (July 31, 2026), AEON REIT has obtained third-party certifications for 88.1% of its portfolio properties (based on total leasable area), with 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 under the CERTIFIED 2026 Health & Productivity Management Outstanding Organizations Recognition Program (for SMEs) in March 2026, marking the seventh consecutive year with the certification. Both AEON REIT and the Asset Manager will continue to pursue initiatives on ESG issues in a proactive manner.

Results and Cash Distribution

As a result of the above operations, AEON REIT posted operating revenue of ¥21,438 million, operating income of ¥7,197 million, ordinary income of ¥6,061 million, and net income of ¥5,968 million for the 27th fiscal period ended July 31, 2026. Furthermore, AEON REIT posted a total of ¥106 million of construction cost pertaining to the damage caused by the 2025 Aomori Prefecture East Offshore Earthquake, the 2026 Eastern Shimane Prefecture Earthquake, the 2026 Sanriku Offshore Earthquake and the 2026 Nara Prefecture Earthquake (including planned amount) as extraordinary loss and a total of ¥14 million in insurance income for the 2025 Aomori Prefecture East Offshore Earthquake, the 2026 Eastern Shimane Prefecture Earthquake and the 2026 Sanriku Offshore Earthquake as extraordinary income.

As for cash distribution for the 27th fiscal period, distribution per unit came to ¥2,839, which is the amount that does not exceed ¥5,969 million in unappropriated retained earnings and is the greatest value among integral multiples of 2,102,569, which is the total number of investment units issued and outstanding.

In addition, considering the impact of the inconsistency between profits for accounting purposes and tax purposes associated with the expenses of amortization of fixed-term leasehold rights for business purposes, etc. (as defined in Article 2, Paragraph 2, Item 30 (a) of the Regulation on Accountings of Investment Corporations (Cabinet Office Ordinance No. 47 of 2006, as amended. (hereinafter, the "Investment Corporation Accounting Order")) on cash distributions, AEON REIT plans to make distributions in excess of retained earnings equal to the allowance for temporary difference adjustments (as defined in Article 2, Paragraph 2, Item 30 of the Investment Corporation Accounting Order. In addition to the above, AEON REIT shall continually distribute cash in excess of earnings for each fiscal period pursuant to the distribution policy stipulated in its Articles of Incorporation (Note 1).

Based on these policies, AEON REIT will distribute ¥250 million (¥119 per unit) as an allowance for temporary difference adjustment, and ¥908 million (¥432 per unit) as a return of capital to unitholders which falls under the category of distribution with decrease of investment capital under tax laws for the damage caused by the 2025 Aomori Prefecture East Offshore Earthquake, the 2026 Eastern Shimane Prefecture Earthquake, the 2026 Sanriku Offshore Earthquake and the 2026 Nara Prefecture Earthquake and for maintaining the functions of the properties. As a result, distributions in excess of retained earnings per unit will be ¥551 and distributions per unit will be ¥3,390.

Note 1: Taking into account the trends in the economic environment, the real estate market and the rental market, etc., conditions of assets currently held, financial conditions and other factors, AEON REIT plans to continuously make cash distributions in excess of earnings every fiscal period, in an amount deemed appropriate by AEON REIT to maintain the stability of the distribution level, up to 60% of the depreciation for each fiscal period, based on the amount of depreciation recorded for the fiscal period immediately preceding the fiscal period in which the cash distribution in excess of earnings is made, less the amount of capital expenditures for the same period (Note 2). However, if the implementation of cash distributions in excess of earnings is deemed inappropriate based on the trends in the economic environment, the real estate market and the rental market, etc., conditions of assets currently held, financial conditions and other factors, AEON REIT will not implement cash distributions in excess of earnings. At AEON REIT, cash distributions in excess of retained earnings (return of capital to unitholders) are made when it is determined that there are no obstacles to the operation of AEON REIT after comprehensively taking into account the amount of capital expenditures and repairs and maintenance expenses expected for the fiscal period in which cash distributions in excess of retained earnings (return of capital to unitholders) are made as well as the following fiscal period against the total balance of cash and deposits (including cash and deposits in trust accounts) of AEON REIT as of the end of the fiscal period immediately preceding the fiscal period in which cash distributions in excess of retained earnings (return of capital to unitholders) are made (Note 3), in consideration of the amount of capital expenditures required for the maintenance and enhancement of competitiveness of the assets currently held by AEON REIT and the financial position of AEON REIT.

Note 2: The amount of depreciation of ¥5,239 million recorded for the 27th fiscal period, less the amount of capital expenditures of ¥3,097 million for the 27th fiscal period, is ¥2,141 million.

Note 3: The total balance of cash and deposits (including cash and deposits in trust accounts) of AEON REIT as of the end of the 27th fiscal period is ¥36,228 million, and the amount of capital expenditures and repairs and maintenance expenses expected for the 28th fiscal period (fiscal period ending January 31, 2027) and the 29th fiscal period (fiscal period ending July 31, 2027) is ¥10,351 million. Even for the long-term repair and maintenance plan for the same period in the asset management plans, the amount is within the balance of cash and deposits (including cash and deposits in trust accounts).

Distribution Information

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 in a total amount of ¥5,969,193,391, which is the amount that does not exceed the unappropriated retained earnings (¥5,969,399,984) and is the greatest value among integral multiples of 2,102,569, which is the total number of investment units issued and outstanding. In addition, AEON REIT makes distribution in excess of retained earnings of the allowance for temporary difference adjustments in consideration of the impact of the inconsistency between profits for accounting purposes and tax purposes related to the amortization of fixed-term leasehold rights for business purposes on distributions. In addition to the above, AEON REIT shall distribute cash in excess of earnings for each fiscal period pursuant to the distribution policy stipulated in its Articles of Incorporation. Based on these policies, AEON REIT will distribute ¥250,205,711 as an allowance for temporary difference adjustment, and ¥908,309,808 as a return of capital to unitholders which falls under the category of distribution with decrease of investment capital under tax laws for the damage to assets caused by the 2025 Aomori Prefecture East Offshore Earthquake, the 2026 Eastern Shimane Prefecture Earthquake, the 2026 Sanriku Offshore Earthquake and the 2026 Nara Prefecture Earthquake and for maintaining the functions of the properties.

	Thousands of yen (Except per unit data)				
	23rd Period February 1, 2024 to July 31, 2024	24th Period August 1, 2024 to January 31, 2025	25th Period February 1, 2025 to July 31, 2025	26th Period August 1, 2025 to January 31, 2026	27th Period February 1, 2026 to July 31, 2026
Unappropriated retained earnings (undisposed loss)	¥6,598,853	¥6,860,550	¥7,077,721	¥6,821,170	¥5,969,399
Appropriations to reserves	454	1,969	474	436	206
Total cash distributions	7,093,999	7,064,631	7,178,170	7,148,734	7,127,708
(Distribution per unit)	(3,340)	(3,360)	(3,414)	(3,400)	(3,390)
Distribution of retained earnings	6,847,621	6,858,580	7,077,247	6,820,733	5,969,193
(Distribution of retained earnings per unit)	(3,224)	(3,262)	(3,366)	(3,244)	(2,839)
Return of capital	246,378	206,051	100,923	328,000	1,158,515
(Return of capital per unit)	(116)	(98)	(48)	(156)	(551)
Distribution from reserve for temporary difference adjustments included in return of capital (Distribution per unit from reserve for temporary difference adjustments included in return of capital per unit)	91,329 (43)	92,513 (44)	100,923 (48)	77,795 (37)	250,205 (119)
Distribution reducing unitholders' capital for tax purposes included in return of capital (Distribution reducing unitholders' capital included in return of capital per unit)	155,048 (73)	113,538 (54)	— (—)	250,205 (119)	908,309 (432)

Note: For details on AEON REIT's distribution policy and the overview of the distribution for the 27th Period, please also refer to "Results and Cash Distribution" under "(2) Operating Environment and Performance" under "Operations and Results" above.

Equity Finance

Changes in unitholders' capital and total investment units issued and outstanding of AEON REIT in the last five years through the date when its securities report for the 27th fiscal period was submitted to the Kanto Local Finance Bureau of the Ministry of Finance are as follows.

Date	Summary	Total Investment Units Issued and Outstanding (Units)		Unitholders' Capital (Millions of yen) (Note 1)		Remarks
		Increase	Balance	Increase	Balance	
February 1, 2023	Public offering	75,700	2,120,167	9,922	239,407	(Note 2)
February 21, 2023	Third-party allotment	3,785	2,123,952	496	239,903	(Note 3)
October 21, 2024	Distribution in excess of retained earnings (return of capital)	—	2,123,952	(155)	239,748	(Note 4)
January 21, 2025	Cancellation	(21,383)	2,102,569	(2,708)	237,039	(Note 5)
April 18, 2025	Distribution in excess of retained earnings (return of capital)	—	2,102,569	(113)	236,925	(Note 6)
April 20, 2026	Distribution in excess of retained earnings (return of capital)	—	2,102,569	(250)	236,675	(Note 7)
October 20, 2026	Distribution in excess of retained earnings (return of capital)	—	2,102,569	(908)	235,767	(Note 8)

Notes: 1. Difference between unitholders' capital and the amount of deduction from unitholders' capital is indicated. Deduction from unitholders' capital accompanying distribution in excess of retained earnings related to allowance for temporary difference adjustments is not taken into account.
2. Public offering of new investment units for ¥135,456 per unit (excluding underwriting fee: ¥131,079 per unit) for the purpose of procuring funds for new property acquisitions.
3. Third-party allotment of new investment units for ¥131,079 per unit in conjunction with the public offering and capital increase.
4. At its board of directors' meetings held on September 13, 2024, AEON REIT resolved to make distribution in excess of retained earnings (¥73 per unit) as a return of capital to unitholders, which falls under the category of distribution with decrease of investment capital under tax laws, for the 23rd Period. Payment started on October 21, 2024.
5. From September 17, 2024 to December 30, 2024, AEON REIT acquired treasury investment units through market purchases on the Tokyo Stock Exchange, based on a discretionary transaction agreement with a securities company pertaining to the acquisition of treasury investment units. All of the acquired treasury investment units (21,383 units) were cancelled on January 21, 2025, based on a resolution passed at its board of directors' meeting held on January 7, 2025.
6. At its board of directors' meetings held on March 17, 2025, AEON REIT resolved to make distribution in excess of retained earnings (¥54 per unit) as a return of capital to unitholders, which falls under the category of distribution with decrease of investment capital under tax laws, for the 24th Period. Payment started on April 18, 2025.
7. At its board of directors' meetings held on March 17, 2026, AEON REIT resolved to make distribution in excess of retained earnings (¥119 per unit) as a return of capital to unitholders, which falls under the category of distribution with decrease of investment capital under tax laws, for the 26th Period. Payment started on April 20, 2026.
8. At its board of directors' meeting held on September 14, 2026, AEON REIT resolved to make distribution in excess of retained earnings (¥432 per unit) as a return of capital to unitholders, which falls under the category of distribution with decrease of investment capital under tax laws, for the 27th Period. Payment started on October 20, 2026.

Historical Unit Price

Our investment units are listed on the Real Estate Investment Trust Securities Market of the Tokyo Stock Exchange. Highest and lowest closing prices by period are as follows.

(Yen)

	23rd Period February 1, 2024 to July 31, 2024	24th Period August 1, 2024 to January 31, 2025	25th Period February 1, 2025 to July 31, 2025	26th Period August 1, 2025 to January 31, 2026	27th Period February 1, 2026 to July 31, 2026
Highest	¥140,000	¥135,600	¥131,500	¥140,000	¥138,500
Lowest	129,600	122,700	121,300	128,100	119,400

Assets, Liabilities and Net Assets

Total assets as of July 31, 2026 decreased ¥659 million from January 31, 2026 to ¥449,312 million. While current assets increased ¥1,712 million, total property and equipment decreased ¥2,157 million to ¥332,157 million mainly due to a decrease in buildings in trust, net.

Current liabilities increased ¥483 million from January 31, 2026 to ¥29,119 million mainly due to provision for loss on disaster, while non-current liabilities increased ¥36 million to ¥177,910 million, resulting in an increase of ¥520 million in total liabilities to ¥207,030 million.

AEON REIT had no balance of short-term loans payable as of July 31, 2026. Current portion of long-term loans payable totaled ¥24,300 million, current portion of investment corporation bonds totaled ¥1,000 million and long-term loans payable totaled ¥114,600 million as of the same date, with investment corporation bonds totaling ¥48,000 million.

Consequently, interest-bearing debt as of July 31, 2026 totaled ¥187,900 million, remaining unchanged from January 31, 2026. Tenant leasehold and security deposits in trust decreased ¥1 million from January 31, 2026 to ¥14,528 million.

Net assets decreased ¥1,179 million from January 31, 2026 to ¥242,282 million mainly due to a decrease in unappropriated retained earnings (undisposed loss).

Significant Events after the Balance Sheet Date

Not applicable.

Borrowings

Please refer to "6. Borrowings" in Supplementary Schedules on page 56.

Investment Corporation Bonds

Please refer to "5. Investment Corporation Bonds" in Supplementary Schedules on page 55.

Acquisitions and Sales during the 27th Period

Type of Assets	Property Name	Acquisition		Sale			
		Acquisition Date	Acquisition Price (Millions of yen)	Sale Date	Sale Price (Millions of yen)	Book Value (Millions of yen)	Gain or Loss on Sale (Millions of yen)
Trust beneficiary rights in real estate	Daiei-Ibaraki Process Center (Main Building portion)	—	—	July 1, 2026	¥103	¥90	¥6
Total	—	—	—		¥103	¥90	¥6

Note: Acquisition price and sale price indicate the amount (the purchase prices, etc., stated in the sales agreements, etc.) excluding miscellaneous costs (brokerage commissions, taxes and dues, etc.) that were required for the acquisition or sale of the portfolio properties.

Capital Expenditures

Planned Capital Expenditures

The following table shows the major items of capital expenditures for renovation works, etc. (mainly those exceeding ¥30 million per renovation work) that AEON REIT currently plans to conduct for the properties it owned as of July 31, 2026. The planned work expenses include portions that will be expensed as incurred 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.)	Renewal of air-conditioning units	From September 2026 to November 2026	¥ 30	—	—
	Renewal of air-conditioning units	From August 2026 to December 2026	132	—	—
	Renewal of air-conditioning units	From December 2026 to January 2027	41	—	—
	Renewal of air-conditioning units	From December 2026 to May 2027	102	—	—
AEON LakeTown kaze (Koshigaya City, Saitama Pref)	Renewal of air-conditioning units	From December 2026 to January 2027	41	—	—
	Renewal of air-conditioning units	From March 2027 to May 2027	36	—	—
AEON MALL Morioka (Morioka City, Iwate Pref.)	Renewal of disaster prevention facilities	From October 2026 to November 2026	38	—	—
	Renewal of air-conditioning units	From October 2026 to November 2026	30	—	—
AEON MALL Ishinomaki (Ishinomaki City, Miyagi Pref.)	Renewal of air-conditioning units	From January 2027 to May 2027	133	—	—
AEON MALL Ota (Ota City, Gunma Pref.)	Renewal of air-conditioning units	From August 2026 to November 2026	102	—	—
	Renewal of air-conditioning units	From May 2027 to May 2027	102	—	—
AEON Sagamihara Shopping Center (Sagamihara City, Kanagawa Pref.)	Renewal of sanitary facilities	From September 2026 to November 2026	82	—	—
	Renewal of air-conditioning units	From February 2027 to April 2027	92	—	—
	Renewal of fire prevention equipment	From March 2027 to May 2027	51	—	—
	Renewal of sanitary facilities	From March 2027 to May 2027	82	—	—
AEON MALL Ogaki (Ogaki City, Gifu Pref.)	Renewal of hot/cold water generators	From September 2026 to April 2027	306	—	—
AEON MALL Suzuka (Suzuka City, Mie Pref.)	Renewal of air-conditioning units	From December 2026 to January 2027	34	—	—
	Renewal of hot/cold water generators	From May 2026 to March 2027	178	—	—
AEON MALL Hiezu (Saihaku County, Tottori Pref.)	Renewal of elevators	From March 2027 to May 2027	66	—	—
AEON MALL Kurashiki (Kurashiki City, Okayama Pref.)	Renewal of fire prevention equipment	From October 2026 to November 2026	100	—	—
	Renewal of air-conditioning units	From May 2027 to May 2027	51	—	—

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 Ayagawa (Ayauta County, Kagawa Pref.)	Renewal of electrical facilities	From July 2026 to November 2026	46	—	—
	Renewal of disaster prevention facilities	From February 2027 to May 2027	36	—	—
	Exterior wall painting	From April 2026 to June 2027	348	—	—
AEON MALL Nogata (Nogata City, Fukuoka Pref.)	Work for waterproofing	From September 2026 to November 2026	81	—	—
	Renewal of electrical facilities	From June 2027 to June 2027	30	—	—
AEON MALL KYOTO (Kyoto City, Kyoto Pref.)	Renewal of air-conditioning units	From October 2026 to November 2026	151	—	—
AEON MALL Kasai-Hojo (Kasai City, Hyogo Pref.)	Renewal of air-conditioning units	From October 2026 to May 2027	168	—	—
AEON MALL Sapporo-Hiraoka (Sapporo City, Hokkaido)	Renewal of air-conditioning units	From April 2026 to November 2026	143	—	—
	Renewal of electrical facilities	From April 2026 to January 2027	51	—	—
	Renewal of air-conditioning units	From May 2027 to May 2027	204	—	—
	Renewal of electrical facilities	From May 2027 to May 2027	56	—	—
AEON MALL Chiba Newtown (mall, and cinema and sports complex) (Inzai City, Chiba Pref.)	Renewal of air-conditioning units	From July 2026 to November 2026	214	—	—
	Renewal of air-conditioning units	From October 2026 to November 2026	71	—	—
	Exterior wall painting	From August 2026 to March 2027	117	—	—
	Renewal of sanitary facilities	From November 2026 to March 2027	51	—	—
	Renewal of air-conditioning units	From April 2027 to May 2027	71	—	—
AEON MALL Tomakomai (Tomakomai City, Hokkaido Pref.)	Renewal of air-conditioning units	From June 2026 to September 2026	45	—	—
	Renewal of air-conditioning units	From February 2027 to May 2027	45	—	—
	Renewal of disaster prevention facilities	From May 2027 to May 2027	56	—	—
AEON MALL Oyama (Oyama City, Tochigi Pref.)	Renewal of air-conditioning units	From December 2026 to December 2026	36	—	—
	Renewal of elevator parts	From May 2027 to May 2027	44	—	—
AEON MALL Itamikoya (Itami City, Hyogo Pref.)	Renewal of air-conditioning units	From October 2026 to March 2027	153	—	—
AEON MALL KAGOSHIMA BAY (Kagoshima City, Kagoshima Pref.)	Renewal of air-conditioning units	From August 2026 to January 2027	61	—	—
	Renewal of air-conditioning units	From September 2026 to November 2026	30	—	—
	Renewal of sanitary facilities	From January 2027 to May 2027	45	—	—

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 Tsuchiura (Tsuchiura City, Ibaraki Pref.)	Renewal of air-conditioning units	From May 2026 to November 2026	123	—	—
AEON MALL Kahoku (Kahoku City, Ishikawa Pref.)	Renewal of air-conditioning units	From September 2026 to November 2026	81	—	—
	Renewal of disaster prevention facilities	From December 2026 to February 2027	31	—	—
	Renewal of air-conditioning units	From February 2027 to April 2027	66	—	—
AEON MALL Kyoto Gojo (Kyoto City, Kyoto Pref.)	Renewal of air-conditioning units	From December 2026 to December 2026	102	—	—
	Renewal of disaster prevention facilities	From October 2026 to November 2026	31	—	—
	Renewal of air-conditioning units	From March 2027 to March 2027	41	—	—
AEON MALL Takasaki (Takasaki City, Gunma Pref.)	Renewal of air-conditioning units	From September 2026 to November 2026	114	—	—
	Renewal of disaster prevention facilities	From May 2026 to February 2027	51	—	—
	Renewal of air-conditioning units	From March 2027 to May 2027	132	—	—
AEON MALL Narita (Narita City, Chiba Pref.)	Renewal of disaster prevention facilities	From July 2026 to November 2026	30	—	—
	Rooftop waterproofing	From September 2026 to November 2026	30	—	—
	Renewal of electrical facilities	From September 2026 to November 2026	56	—	—
	Revitalization	From September 2026 to December 2026	81	—	—
	Renewal of air-conditioning units	From June 2026 to January 2027	51	—	—
	Renewal of air-conditioning units	From June 2026 to January 2027	51	—	—
	Renewal of electrical facilities	From January 2027 to May 2027	153	—	—
AEON MALL Miyakonojo Ekimae (Miyakonojo City, Miyazaki Pref.)	Renewal of central monitoring boards	From October 2026 to November 2026	30	—	—
	Renewal of air-conditioning units	From November 2026 to December 2026	71	—	—
	Revitalization	From April 2027 to May 2027	255	—	—
AEON Minami-Osaka RDC (Sakai City, Osaka Pref.)	Renewal of electrical facilities	From October 2026 to January 2027	50	—	—
AEON STYLE Kemigawahama (Chiba City, Chiba Pref.)	Renewal of elevator parts	From January 2026 to March 2027	33	—	—
AEON Chigasaki-Chuo Shopping Center (Chigasaki City, Kanagawa Pref.)	Renewal of air-conditioning units	From April 2026 to November 2026	51	—	—

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 Mitouchihara (Mito City, Ibaraki Pref.)	Renewal of disaster prevention facilities	From September 2026 to November 2026	59	—	—
	Renewal of air-conditioning units	From September 2026 to December 2026	82	—	—
	Renewal of sanitary facilities	From March 2027 to May 2027	206	—	—
	Renewal of air-conditioning units	From March 2027 to May 2027	82	—	—
	Renewal of central monitoring boards	From April 2027 to May 2027	92	—	—

Capital Expenditures during the 27th Period

The following table shows the major items of capital expenditures (those exceeding ¥30 million per work) AEON REIT conducted during the 27th fiscal period for the properties it owned as of July 31, 2026. The capital expenditures for the 27th fiscal period amounted to ¥3,097 million. Combined with ¥2,256 million in repairs and maintenance that was classified as expenses as well as ¥79 million in loss on disaster (asset restoration work expenses including the reversal of provision for loss on disaster) from the 2025 Aomori Prefecture East Offshore Earthquake, the 2026 Eastern Shimane Prefecture Earthquake, the 2026 Sanriku Offshore Earthquake and the 2026 Nara Prefecture Earthquake, AEON REIT conducted construction works totaling ¥5,433 million in the current fiscal period.

Property Name (Location)	Purpose	Period	Cost of Construction Works (Millions of yen)
AEON MALL Tomakomai (Tomakomai City, Hokkaido Pref.)	Renewal of air-conditioning units	From December 2025 to May 2026	¥ 42
	Rooftop waterproofing	From April 2026 to May 2026	38
AEON MALL Morioka (Morioka City, Iwate Pref.)	Renewal of fire prevention equipment	From May 2026 to June 2026	33
	Renewal of air-conditioning units	From February 2026 to July 2026	380
AEON MALL Ishinomaki (Ishinomaki City, Miyagi Pref.)	Renewal of air-conditioning units	From March 2026 to June 2026	266
AEON MALL Tsuchiura (Tsuchiura City, Ibaraki Pref.)	Exterior wall painting	From September 2025 to July 2026	258
AEON MALL Takasaki (Takasaki City, Gunma Pref.)	Renewal of air-conditioning units	From March 2026 to May 2026	90
AEON LakeTown mori (Koshigaya City, Saitama Pref.)	Renewal of air-conditioning units	From March 2026 to May 2026	45
AEON MALL Chiba Newtown (mall, and cinema and sports complex) (Inzai City, Chiba Pref.)	Renewal of air-conditioning units	From May 2026 to July 2026	42
AEON STYLE Kemigawahama (Chiba City, Chiba Pref.)	Renewal of elevators	From March 2026 to March 2026	30
AEON MALL Narita (Narita City, Chiba Pref.)	Renewal of air-conditioning units	From February 2026 to July 2026	49
AEON Sagamihara Shopping Center (Sagamihara City, Kanagawa Pref.)	Renewal of air-conditioning units	From March 2026 to May 2026	78

Property Name (Location)	Purpose	Period	Cost of Construction Works (Millions of yen)
AEON Chigasaki-Chuo Shopping Center (Chigasaki City, Kanagawa Pref.)	Renovation of restroom	From February 2026 to July 2026	43
AEON MALL Kahoku (Kahoku City, Ishikawa Pref.)	Renewal of air-conditioning units	From June 2026 to July 2026	43
AEON MALL Ogaki (Ogaki City, Gifu Pref.)	Renewal of hot/cold water generators	From April 2026 to June 2026	207
AEON MALL Suzuka (Suzuka City, Mie Pref.)	Renewal of elevators	From June 2026 to July 2026	71
AEON MALL Yokkaichi-Kita (Yokkaichi City, Mie Pref.)	Renewal of hot/cold water generators	From May 2026 to June 2026	110
AEON MALL Kyoto Gojo (Kyoto City, Kyoto Pref.)	Renewal of air-conditioning units	From March 2026 to April 2026	66
Daiei-Ibaraki Process Center (Ibaraki City, Osaka Pref.)	Renewal of electrical facilities	From February 2026 to March 2026	62
AEON MALL Kasai-Hojo (Kasai City, Hyogo Pref.)	Renewal of air-conditioning units	From May 2026 to May 2026	34
	Renewal of central monitoring boards	From July 2026 to July 2026	33
AEON MALL Itamikoya (Itami City, Hyogo Pref.)	Renewal of air-conditioning units	From April 2026 to May 2026	77
AEON MALL Ayagawa (Ayauta County, Kagawa Pref.)	Renewal of air-conditioning units	From February 2026 to March 2026	173
AEON MALL Miyakonojo Ekimae (Miyakonojo City, Miyazaki Pref.)	Renewal of air-conditioning units	From December 2025 to May 2026	118
AEON MALL KAGOSHIMA BAY (Kagoshima City, Kagoshima Pref.)	Renewal of air-conditioning units	From February 2026 to March 2026	61
	Renewal of hot/cold water generators	From January 2026 to March 2026	49

Additions to Reserves for Long-Term Renovations

None

Asset Management Expenses

(Thousands of yen)

	26th Period August 1, 2025 to January 31, 2026	27th Period February 1, 2026 to July 31, 2026
Asset management fees (Note)	¥ 966,893	¥ 886,288
Asset management fee I	621,208	602,611
Asset management fee II	345,684	283,677
Asset custody fees	23,019	22,869
Administrative service fees	78,290	73,854
Directors' compensation	3,600	3,600
Other expenses	134,288	134,383
Total	¥1,206,090	¥1,120,995

Note: Asset management fees above do not include fees paid upon acquisition or disposition of real estate that are calculated based on the purchase or sale price. Real estate acquisition fees totaled ¥257 thousand in the 27th Period.

Transactions with Related Parties

(1) Purchase and Sale Transactions with Related Parties (Note 1)

Category	Purchase or Sale Price (Millions of yen) (Note 2)	
	Purchase Price	Sale Price
Total	¥—	¥103
Breakdown of Transactions with Related Parties		
AEON Food Supply Co., Ltd.	— (—%)	103 (100.0%)
Total	¥— (—%)	¥103 (100.0%)

Notes: 1. "Related parties" are defined as related parties of the asset management companies under asset management agreement with AEON REIT as defined in Article 201, Paragraph 1 of the Investment Trust Act, Article 123 of the Order for Enforcement of the Investment Trust Act, Article 244-3 of the Enforcement Regulations for the Investment Trust Act, and Article 26, Paragraph 1, Section 27 of the Regulations regarding management reports of investment trusts and investment corporations set by the Investment Management Association of Japan. The same shall apply hereafter.
2. "Purchase or Sale Price" does not include expenses for the acquisition or disposition of the real estate, etc., settlement amount of taxes and public dues, etc. and consumption tax, etc.

(2) Leasing to Related Parties

Lessee	Total Rent Received (Millions of yen)
AEON Mall Co., Ltd.	¥10,960
AEON Retail Co., Ltd.	6,781
AEON Hokkaido Corporation	1,020
AEON KYUSHU Co., Ltd.	765
The Daiei, Inc.	584
AEON TOHOKU Co., Ltd.	350
AEON Global SCM Co., Ltd.	289
KASUMI Co., Ltd.	173
AEON CO. (M) BHD. (Note)	33 (RM846 thousand)
AEON Food Supply Co., Ltd.	23
Total	¥20,982

Note: The amount of total rent received is converted to Japanese yen using the exchange rate (the average exchange rate during the month prior to the transaction) at the time of the transaction.

(3) Leasing from Related Parties

Lessor	Total Rent Paid (Millions of yen)
AEON Mall Co., Ltd.	¥1,335
AEON Retail Co., Ltd.	895
AEON Hokkaido Corporation	262
AEON TOHOKU Co., Ltd.	120
AEON KYUSHU Co., Ltd.	64
Total	¥2,678

(4) Fees Paid

Type of Fee	Total Fees (A) (Thousands of yen)	Transactions with Related Parties		
		Recipient	Fees Paid (B) (Thousands of yen)	Share of Total Fees (B/A) (%)
Management service fees	¥ 49,737	AEON DELIGHT CO., LTD.	¥ 9,924	20.0
Interest expenses	797,215	AEON BANK, LTD.	32,841	4.1

Notes: 1. The above table includes fees paid for transactions with related parties of the Asset Manager during the 27th Period.
2. In addition to the fees above, the amount paid to AEON DELIGHT CO., LTD. for repair work during the 27th Period was ¥706,118 thousand.
3. Interest expenses include financial fees, interests paid and accrued interests.
4. Amounts do not include consumption taxes.

Information Required under Article 22(2)(d) of the EU Alternative Investment Fund Managers Directive (AIFMD)

(1) Material Changes in Information Listed in Article 23 of AIFMD during the Financial Period Covered by the Report (Six-month fiscal period ended July 31, 2026)

As a result of the introduction of additional reporting requirements under AIFMD2, the following information has been added to the report.

In precontractual disclosures:
– the full name of the AIF;
– whether and if so which and how liquidity management tools as referred to in Article 16(2b) AIFMD2 are used and applied within the AIF, or that this is not the case in view of the closed-end nature of the fund;
– a list of fees, charges and expenses that are borne by the AIFM in connection with the operation of the AIF and that are to be directly or indirectly allocated to the AIF;

In periodic disclosures:
– in case of investments in loans, the composition of the originated loan portfolio;
– on an annual basis, all fees, charges and expenses that were directly or indirectly borne by investors;
– on an annual basis, any parent undertaking, subsidiary or special purpose vehicle utilized in relation to the AIF's investments by or on behalf of the AIFM.

In addition, with respect to the information listed under the heading "Description of all fees," under Article 23(1)(i), the description of the asset management fees received by the Asset Manager was revised to reflect the amendment to the articles of incorporation of AEON REIT adopted at the unitholders meeting held on October 23, 205, and effective as February 1, 2026, which, among other changes, introduced merger fees.

Risk Factors

An investment in our units involves significant risks. The principal risks with respect to investment in AEON REIT are as follows.

Property and Business Risks

• Any adverse conditions in Japan's retail industry or the Japanese economy could adversely affect us.

- We are dependent on the AEON Group for substantially all of our rental income; therefore, our financial condition and ability to make distributions may be adversely affected by lease terminations by, the bankruptcy or insolvency of, or a downturn in the business of the AEON Group.
- Our reliance on the Sponsor and other AEON Group companies could have a material adverse effect on our business.
- There are potential conflicts of interest between us and certain AEON Group companies, including the Asset Manager.
- As the first J-REIT to hold a property outside of Japan, we are subject to uncertainties to which other J-REITs may not be subject, which may make it difficult to evaluate our prospects.
- We may not be able to acquire properties to execute our growth and investment strategy in a manner that is accretive to earnings.
- Illiquidity in the real estate market may limit our ability to grow or adjust our portfolio and our master lease agreements could make our investments more illiquid.
- The past experience of the AEON Group in the Japanese real estate market is not an indicator or guarantee of our future results.
- The high concentration of retail properties in our portfolio may entail special risks not shared by J-REITs that invest in a more diversified range of real estate or real estate-related assets.
- Any inability to obtain financing for future acquisitions could adversely affect the growth of our portfolio.
- Liquidity and other limitations on our activities under debt financing arrangements may adversely affect our business, financial condition and results of operations.
- Increases in prevailing market interest rates may increase our interest expense and may result in a decline in the market price of our units.
- A high LTV ratio may increase our exposure to changes in interest rates and have a material adverse effect on our business, financial condition and results of operations.
- We may suffer impairment losses relating to our properties.
- Decreases in master lessees' leasehold deposits and/or security deposits may increase our funding costs.
- Any property defect may adversely affect our business, financial condition and results of operations.
- We may suffer large losses in the case of a natural or man-made disaster.
- We rely on expert appraisals and engineering, environmental and seismic reports, which are subject to significant uncertainties.
- We rely on industry and market data that are subject to significant uncertainties.
- We rely on third parties to evaluate the compliance of properties that we own or may acquire with building codes and earthquake standards, and we may suffer significant costs or incur sizable liabilities if any noncompliance is subsequently discovered.
- The environmental assessments of our properties made prior to our ownership may not uncover all environmental liabilities, and Japanese laws subject property owners to strict environmental liabilities.
- Entering into forward commitment contracts or contracts to purchase properties under development may expose us to contractual penalties and market risks.
- Unitholders have limited control over changes in our investment policies.
- We may be exposed to regulatory and financial risks related to climate change.
- Our success depends on the performance of service providers to which we are required to assign various key functions.
- Our performance depends on the efforts of key personnel of the Asset Manager.
- J-REITs and their asset managers are subject to tight supervision by the regulatory authorities.
- The Malaysian ringgit may be subject to exchange controls.
- The Asset Manager has limited experience in operating a J-REIT.

- Our policy to make distributions to our unitholders in excess of our retained earnings is not employed by most J-REITs and is thus subject to uncertainties.
- The acquisition of treasury investment units by AEON REIT is subject to uncertainties as to whether it will be implemented, the number of units to be acquired, the timing and price of the redemption of the acquired units.

Taxation Risks

- Our failure to satisfy a complex series of requirements pursuant to Japanese tax regulations would disqualify us from certain taxation benefits and significantly reduce our cash distributions to our unitholders.
- If the Japanese tax authorities disagree with the interpretations of the Japanese tax laws and regulations we used for prior periods, we may be forced to pay additional taxes for those periods. 53 AEON REIT Investment Corporation
- We may not be able to benefit from reductions in certain transfer taxes enjoyed by qualified J-REITs.
- Changes in Japanese tax laws may significantly increase our tax burden.
- We may be subject to taxes in countries other than Japan due to our investments outside of Japan and our investors may not be able to take advantage of available credits associated with such taxes.

Legal and Regulatory Risks

- Our ownership rights in some of our properties may be declared invalid or limited.
- We may lose our rights in a property we intend to acquire if the purchase of the property is recharacterized as a secured financing.
- Our leasehold or subleasehold interests may be terminated or may not be asserted against a third party in some cases.
- Properties for which third parties hold leasehold interests in the land and own the buildings on the land may subject us to various risks.
- Some of the properties we acquire may be designated as reserved land (horyu-chi) or provisionally allocated land (kari-kanchi) and our rights relating to such properties may be affected by the operation of the Land Readjustment Act.
- We may from time to time own properties in the form of stratified ownership (kubun shoyu) interests and our rights relating to such properties may be affected by the rights and intentions of other owners.
- Some of the properties we may acquire may be held in the form of a property or trust beneficiary co-ownership interest, and our rights relating to such properties may be affected by the intentions of other owners.
- We may hold interests in some properties through preferred shares of a special purpose company (tokutei mokuteki kaisha) in the future, and illiquidity in the market for such shares may limit our ability to sell our interest, and our rights relating to the properties held by such special purpose companies may be limited.
- We may hold interests in some properties through Japanese anonymous association (tokumei kumiai) agreements, and our rights relating to such properties may be limited.
- Our Malaysian property or any part of it may be acquired compulsorily.
- We will own most of our properties through trust beneficiary interests and may suffer losses as a trust beneficiary.
- There are important differences regarding the rights of unitholders in a J-REIT compared to those of shareholders in a corporation.
- Tax increases or adverse changes in applicable laws may affect our potential liabilities relating to our properties and operations.

AEON REIT Investment Corporation Balance Sheets

As of January 31, 2026 and July 31, 2026

	(Thousands of yen)		(Thousands of U.S. dollars)
	Previous fiscal period (As of January 31, 2026)	Current fiscal period (As of July 31, 2026)	Current fiscal period (As of July 31, 2026)
Assets			
Current assets			
Cash and deposits (Note 8)	¥ 24,741,024	¥ 27,633,732	$ 171,937
Cash and deposits in trust (Note 8)	9,373,296	8,594,676	53,476
Prepaid expenses	929,839	528,512	3,288
Income taxes receivable	4,502	5,588	34
Other	14,614	13,185	82
Total current assets	35,063,277	36,775,695	228,818
Non-current assets			
Property and equipment (Note 18)			
Land	8,415,154	8,415,154	52,359
Buildings in trust	276,615,908	279,570,898	1,739,490
Accumulated depreciation	(100,727,732)	(105,747,427)	(657,960)
Buildings in trust, net	175,888,176	173,823,471	1,081,529
Structures in trust	2,777,809	2,777,809	17,283
Accumulated depreciation	(1,803,931)	(1,888,093)	(11,747)
Structures in trust, net	973,877	889,715	5,535
Tools, furniture and fixtures in trust	99,732	99,732	620
Accumulated depreciation	(58,857)	(67,373)	(419)
Tools, furniture and fixtures in trust, net	40,875	32,359	201
Land in trust	148,996,928	148,996,928	927,059
Total property and equipment	334,315,012	332,157,628	2,066,685
Intangible assets			
Leasehold interests in trust	73,672,694	73,600,367	457,941
Total intangible assets	73,672,694	73,600,367	457,941
Investments and other assets			
Shares of subsidiaries and associates (Note 10)	6,078,453	6,078,453	37,820
Long-term prepaid expenses	693,321	569,503	3,543
Deferred tax assets	63	11	0
Lease and guarantee deposits	10,000	10,000	62
Total investments and other assets	6,781,838	6,657,968	41,425
Total non-current assets	414,769,545	412,415,965	2,566,052
Deferred assets			
Investment corporation bond issuance costs	139,250	120,980	752
Total deferred assets	139,250	120,980	752
Total assets	¥449,972,074	¥449,312,641	$2,795,623

	(Thousands of yen)		(Thousands of U.S. dollars)
	Previous fiscal period (As of January 31, 2026)	Current fiscal period (As of July 31, 2026)	Current fiscal period (As of July 31, 2026)
Liabilities			
Current liabilities			
Operating accounts payable	¥ 2,209,551	¥ 2,617,225	$ 16,284
Current portion of investment corporation bonds (Note 10)	1,000,000	1,000,000	6,222
Current portion of long-term loans payable (Note 10)	24,300,000	24,300,000	151,194
Accounts payable - other	471,829	404,896	2,519
Accrued expenses	121,724	116,187	722
Income taxes payable	965	675	4
Accrued consumption taxes	316,221	435,451	2,709
Provision for loss on disaster	24,900	51,429	319
Other	190,915	193,664	1,204
Total current liabilities	28,636,108	29,119,530	181,181
Non-current liabilities			
Investment corporation bonds (Note 10)	48,000,000	48,000,000	298,656
Long-term loans payable (Note 10)	114,600,000	114,600,000	713,041
Tenant leasehold and security deposits (Note 10)	176,394	176,394	1,097
Tenant leasehold and security deposits in trust (Note 10)	14,530,022	14,528,521	90,396
Asset retirement obligations (Note 17)	567,321	569,647	3,544
Other	—	36,089	224
Total non-current liabilities	177,873,738	177,910,653	1,106,960
Total liabilities	206,509,846	207,030,184	1,288,142
Net assets			
Unitholders' equity			
Unitholders' capital (Note 7)	243,428,896	243,428,896	1,514,614
Deduction from unitholders' capital			
Allowance for temporary difference adjustments	(284,766)	(362,561)	(2,255)
Other deduction from unitholders' capital	(6,503,072)	(6,753,277)	(42,018)
Total deduction from unitholders' capital	(6,787,838)	(7,115,839)	(44,274)
Unitholders' capital, net	236,641,057	236,313,057	1,470,340
Surplus			
Unappropriated retained earnings (undisposed loss)	6,821,170	5,969,399	37,141
Total surplus	6,821,170	5,969,399	37,141
Total unitholders' equity	243,462,228	242,282,457	1,507,481
Total net assets (Note 5)	243,462,228	242,282,457	1,507,481
Total liabilities and net assets	¥449,972,074	¥449,312,641	$2,795,623

The accompanying notes form an integral part of these financial statements.

AEON REIT Investment Corporation
Statements of Income

For the six-month periods ended January 31, 2026 and July 31, 2026

	(Thousands of yen)		(Thousands of U.S. dollars)
	Previous fiscal period (From August 1, 2025 to January 31, 2026)	Current fiscal period (From February 1, 2026 to July 31, 2026)	Current fiscal period (From February 1, 2026 to July 31, 2026)
Operating revenue			
Rent revenue - real estate (Note 6)	¥21,106,051	¥21,208,375	$131,958
Gain on sale of real estate properties (Note 6)	—	6,651	41
Dividends received (Note 6)	200,398	223,079	1,387
Total operating revenue	21,306,449	21,438,106	133,387
Operating expenses			
Expenses related to rent business (Note 6)	12,121,441	13,119,492	81,629
Asset management fee	966,893	886,288	5,514
Asset custody fee	23,019	22,869	142
Administrative service fees	78,290	73,854	459
Directors' compensation	3,600	3,600	22
Taxes and dues	13,116	9,026	56
Other operating expenses	121,171	125,356	779
Total operating expenses	13,327,532	14,240,488	88,604
Operating income	7,978,917	7,197,617	44,783
Non-operating income			
Interest income	34,450	37,622	234
Refund of unpaid distributions	685	1,355	8
Interest on tax refund	1	4	0
Foreign exchange gains	1,264	—	—
Total non-operating income	36,401	38,981	242
Non-operating expenses			
Interest expenses	756,929	797,215	4,960
Interest expenses on investment corporation bonds	211,849	205,582	1,279
Amortization of investment unit issuance expenses	5,852	—	—
Amortization of investment corporation bond issuance costs	18,667	18,269	113
Borrowing related expenses	156,417	154,210	959
Foreign exchange loss	—	183	1
Total non-operating expenses	1,149,716	1,175,461	7,313
Ordinary income	6,865,602	6,061,137	37,712
Extraordinary income			
Insurance income (Note 6)	7,712	14,812	92
Total extraordinary income	7,712	14,812	92
Extraordinary losses			
Loss on disaster (Note 6)	26,047	54,661	340
Provision for loss on disaster (Note 6)	24,900	51,429	319
Total extraordinary losses	50,947	106,091	660
Income (loss) before income taxes	6,822,367	5,969,858	37,144
Income taxes - current (Note 14)	1,734	842	5
Income taxes - deferred	(63)	51	0
Total income taxes	1,671	894	5
Net income (loss)	6,820,696	5,968,963	37,138
Retained earnings brought forward	474	436	2
Unappropriated retained earnings (undisposed loss)	¥ 6,821,170	¥ 5,969,399	$ 37,141

The accompanying notes form an integral part of these financial statements.

AEON REIT Investment Corporation
Statements of Changes in Net Assets

For the six-month periods ended January 31, 2026 and July 31, 2026

Previous fiscal period (From August 1, 2025 to January 31, 2026)

(Thousands of yen)

	Unitholders' equity								
		Deduction from unitholders' capital				Surplus			
	Unitholders' capital	Allowance for temporary difference adjustments	Other deduction from unitholders' capital	Total deduction from unitholders' capital	Unitholders' capital, net	Unappropriated retained earnings (undisposed loss)	Total surplus	Total unitholders' equity	Total net assets
Balance at beginning of current period	¥243,428,896	(¥183,842)	(¥6,503,072)	(¥6,686,914)	¥236,741,981	¥7,077,721	¥7,077,721	¥243,819,702	¥243,819,702
Changes of items during period									
Distribution in excess of retained earnings due to allowance for temporary difference adjustments		(100,923)		(100,923)	(100,923)			(100,923)	(100,923)
Dividends of surplus						(7,077,247)	(7,077,247)	(7,077,247)	(7,077,247)
Net income						6,820,696	6,820,696	6,820,696	6,820,696
Total changes of items during period	—	(100,923)	—	(100,923)	(100,923)	(256,551)	(256,551)	(357,474)	(357,474)
Balance at end of current period	¥243,428,896	(¥284,766)	(¥6,503,072)	(¥6,787,838)	¥236,641,057	¥6,821,170	¥6,821,170	¥243,462,228	¥243,462,228

Current fiscal period (From February 1, 2026 to July 31, 2026)

(Thousands of yen)

	Unitholders' equity								
		Deduction from unitholders' capital				Surplus			
	Unitholders' capital	Allowance for temporary difference adjustments	Other deduction from unitholders' capital	Total deduction from unitholders' capital	Unitholders' capital, net	Unappropriated retained earnings (undisposed loss)	Total surplus	Total unitholders' equity	Total net assets
Balance at beginning of current period	¥243,428,896	(¥284,766)	(¥6,503,072)	(¥6,787,838)	¥236,641,057	¥6,821,170	¥6,821,170	¥243,462,228	¥243,462,228
Changes of items during period									
Distribution in excess of retained earnings due to allowance for temporary difference adjustments		(77,795)		(77,795)	(77,795)			(77,795)	(77,795)
Other distribution in excess of retained earnings			(250,205)	(250,205)	(250,205)			(250,205)	(250,205)
Dividends of surplus						(6,820,733)	(6,820,733)	(6,820,733)	(6,820,733)
Net income						5,968,963	5,968,963	5,968,963	5,968,963
Total changes of items during period	—	(77,795)	(250,205)	(328,000)	(328,000)	(851,770)	(851,770)	(1,179,770)	(1,179,770)
Balance at end of current period	¥243,428,896	(¥362,561)	(¥6,753,277)	(¥7,115,839)	¥236,313,057	¥5,969,399	¥5,969,399	¥242,282,457	¥242,282,457

Current fiscal period (From February 1, 2026 to July 31, 2026)

(Thousands of U.S. dollars)

	Unitholders' equity								
		Deduction from unitholders' capital				Surplus			
	Unitholders' capital	Allowance for temporary difference adjustments	Other deduction from unitholders' capital	Total deduction from unitholders' capital	Unitholders' capital, net	Unappropriated retained earnings (undisposed loss)	Total surplus	Total unitholders' equity	Total net assets
Balance at beginning of current period	$1,514,614	($1,771)	($40,462)	($42,233)	$1,472,380	$42,441	$42,441	$1,514,822	$1,514,822
Changes of items during period									
Distribution in excess of retained earnings due to allowance for temporary difference adjustments		(484)		(484)	(484)			(484)	(484)
Other distribution in excess of retained earnings			(1,556)	(1,556)	(1,556)			(1,556)	(1,556)
Dividends of surplus						(42,438)	(42,438)	(42,438)	(42,438)
Net income						37,138	37,138	37,138	37,138
Total changes of items during period	—	(484)	(1,556)	(2,040)	(2,040)	(5,299)	(5,299)	(7,340)	(7,340)
Balance at end of current period	$1,514,614	($2,255)	($42,018)	($44,274)	$1,470,340	$37,141	$37,141	$1,507,481	$1,507,481

The accompanying notes form an integral part of these financial statements.

AEON REIT Investment Corporation
Statements of Cash Distributions

For the six-month periods ended January 31, 2026 and July 31, 2026

Appropriation of Retained Earnings

Pursuant to the policy on the distribution of funds in Article 35, Paragraph 1 of the Articles of Incorporation of the Company, distributions shall be limited to the amount of profit and exceed 90% of the distributable profit of the Company as stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation.

For the six month period ended January 31, 2026, the Company decided to distribute ¥6,820,733,836, which is the amount that does not exceed the unappropriated retained earnings (¥6,821,170,111) and is the largest integral multiples of 2,102,569, which is the total number of investment units issued and outstanding. In addition, AEON REIT makes distribution in excess of retained earnings in accordance with the allowance for temporary difference adjustments in consideration of the impact of the inconsistency between profits for accounting purposes and tax purposes related to the amortization of fixed-term leasehold rights for business purposes on distributions. In addition to the above, AEON REIT shall distribute cash in excess of earnings for each fiscal period pursuant to the distribution policy stipulated in its Articles of Incorporation. Based on these policies, AEON REIT will distribute ¥77,795,053 as an allowance for temporary difference adjustment, and ¥250,205,711 for the damage caused by the 2025 Typhoon Lingling and the 2026 Eastern Shimane Prefecture Earthquake, and for maintaining the functions of the properties as a return of capital to unitholders which falls under the category of distribution with decrease of investment capital under tax laws.

For the six month period ended July 31, 2026, the Company decided to distribute ¥5,969,193,391, which is the amount that does not exceed the unappropriated retained earnings (¥5,969,399,984) and is the largest integral multiples of 2,102,569, which is the total number of investment units issued and outstanding. In addition, AEON REIT makes distribution in excess of retained earnings in accordance with the allowance for temporary difference adjustments in consideration of the impact of the inconsistency between profits for accounting purposes and tax purposes related to the amortization of fixed-term leasehold rights for business purposes on distributions. In addition to the above, AEON REIT shall distribute cash in excess of earnings for each fiscal period pursuant to the distribution policy stipulated in its Articles of Incorporation. Based on these policies, AEON REIT will distribute ¥250,205,711 as an allowance for temporary difference adjustment, and ¥908,309,808 for the damage caused by the 2025 Aomori Prefecture East Offshore Earthquake, the 2026 Eastern Shimane Prefecture Earthquake, the 2026 Sanriku Offshore Earthquake and the 2026 Nara Prefecture Earthquake, and for maintaining the functions of the properties as a return of capital to unitholders which falls under the category of distribution with decrease of investment capital under tax laws.

Distributions of retained earnings and disposition of undisposed loss for the six-month periods ended January 31, 2026 and July 31, 2026 are as follows:

		For the six-month period ended		
		January 31, 2026	July 31, 2026	July 31, 2026
		(Yen)		(Thousands of U.S. dollars)
I	Unappropriated retained earnings (undisposed loss)	¥6,821,170,111	¥5,969,399,984	$37,141
II	Additional amount of distribution in excess of retained earnings	328,000,764	1,158,515,519	7,208
	Allowance for temporary difference adjustments	77,795,053	250,205,711	1,556
	Other deduction from unitholders' capital	250,205,711	908,309,808	5,651
III	Total cash distributions	7,148,734,600	7,127,708,910	44,348
	Distribution per unit (yen; U.S. dollars)	3,400	3,390	21
	Distribution of profit	6,820,733,836	5,969,193,391	37,140
	Distribution of profit per unit (yen; U.S. dollars)	3,244	2,839	17
	Allowance for temporary difference adjustments	77,795,053	250,205,711	1,556
	Distribution in excess of retained earnings per unit (related to allowance for temporary difference adjustments) (yen; U.S. dollars)	37	119	0
	Other distribution in excess of retained earnings	250,205,711	908,309,808	5,651
	Distribution in excess of retained earnings per unit (related to other distribution in excess of retained earnings) (yen; U.S. dollars)	119	432	2
IV	Retained earnings brought forward	¥ 436,275	¥ 206,593	$ 1

The accompanying notes form an integral part of these financial statements.

AEON REIT Investment Corporation
Statements of Cash Flows

For the six-month periods ended January 31, 2026 and July 31, 2026

	(Thousands of yen)		(Thousands of U.S. dollars)
	Previous fiscal period (From August 1, 2025 to January 31, 2026)	Current fiscal period (From February 1, 2026 to July 31, 2026)	Current fiscal period (From February 1, 2026 to July 31, 2026)
Cash flows from operating activities			
Income before income taxes	¥ 6,822,367	¥ 5,969,858	$ 37,144
Depreciation	5,247,436	5,239,477	32,600
Amortization of investment corporation bond issuance costs	18,667	18,269	113
Amortization of investment unit issuance expenses	5,852	—	—
Interest income	(34,450)	(37,622)	(234)
Interest expenses	968,778	1,002,797	6,239
Insurance income	(7,712)	(14,812)	(92)
Loss on disaster	26,047	54,661	340
(Decrease) increase in provision for loss on disaster	(18,450)	26,529	165
(Decrease) increase in accrued consumption taxes	(364,036)	119,229	741
(Increase) decrease in prepaid expenses	(414,298)	401,327	2,497
Decrease from sale of property and equipment in trust	—	90,272	561
Increase in operating accounts payable	492,027	71,479	444
(Decrease) in accounts payable - other	(9,927)	(66,933)	(416)
(Increase) decrease in long-term prepaid expenses	(110,278)	123,817	770
Other, net	(7,461)	34,095	212
Subtotal	12,614,561	13,032,448	81,087
Interest income received	34,450	37,622	234
Interest expenses paid	(957,600)	(1,008,334)	(6,273)
Proceeds from insurance income	—	19,289	120
Payments for loss on disaster	(24,806)	(46,760)	(290)
Income taxes paid	(3,272)	(2,217)	(13)
Net cash provided by operating activities	11,663,332	12,032,047	74,863
Cash flows from investing activities			
Purchase of property and equipment	(18,988)	—	—
Purchase of property and equipment in trust	(2,860,497)	(2,769,419)	(17,231)
Refund of tenant leasehold and security deposits in trust	—	(28,378)	(176)
Proceeds from tenant leasehold and security deposits	—	26,878	167
Net cash used in investing activities	(2,879,485)	(2,770,919)	(17,240)
Cash flows from financing activities			
Repayments of short-term loans payable	(5,500,000)	—	—
Proceeds from long-term loans payable	23,700,000	—	—
Repayments of long-term loans payable	(22,200,000)	—	—
Redemption of investment corporation bonds	(2,000,000)	—	—
Dividends paid	(7,075,993)	(6,818,854)	(42,426)
Distribution in excess of retained earnings due to allowance for temporary difference adjustments	(100,923)	(77,795)	(484)
Other distribution in excess of retained earnings	—	(250,205)	(1,556)
Net cash used in financing activities	(13,176,916)	(7,146,855)	(44,467)
Effect of exchange rate change on cash and cash equivalents	1,272	(183)	(1)
Net (decrease) increase in cash and cash equivalents	(4,391,797)	2,114,088	13,153
Cash and cash equivalents at beginning of period	38,506,118	34,114,320	212,259
Cash and cash equivalents at end of period (Note 8)	¥34,114,320	¥36,228,409	$225,413

The accompanying notes form an integral part of these financial statements.

AEON REIT Investment Corporation
Additional Information

For the six-month periods ended January 31, 2026 and July 31, 2026

1. Organization

AEON REIT Investment Corporation (the "Company") is a real estate investment trust mainly investing in retail properties that form local communities' retail business infrastructure.

The Company was established on November 30, 2012, with AEON Reit Management Co., Ltd. as the organizer under the Act on Investment Trusts and Investment Corporations of Japan (the "Investment Trusts Act") and registered with the Kanto Local Finance Bureau on December 20, 2012.

On November 22, 2013, the Company was listed on the real estate investment trust securities market of Tokyo Stock Exchange.

The real estate held by the Company as of July 31, 2026 totaled 53 properties in Japan and overseas, including AEON MALL SEREMBAN 2 it owns through an overseas real estate holding corporation (hereinafter, the "Overseas SPC"), with a total acquisition price of ¥480,596 million. Total leasable area is 4,329,882.55 m² and the occupancy rate of the entire portfolio is 100.0% as of the same date.

2. Basis of Presentation

The Company maintains its books of accounts in accordance with the provisions set forth in the Investment Trusts Act, the Financial Instruments and Exchange Act of Japan and other related accounting regulations and in conformity with accounting principles generally accepted in Japan, which are different in certain respects as to application and disclosure requirements of International Financial Reporting Standards (hereinafter "IFRS"). The accompanying financial statements have been compiled from the financial statements that were filed with the Director of the Kanto Local Finance Bureau as required by the Financial Instruments and Exchange Act of Japan.

The accompanying financial statements are stated in Japanese yen, the currency of the country in which the Company is incorporated and operates. As permitted by the regulation under the Financial Instruments and Exchange Act of Japan, amounts of less than one thousand yen have been omitted. As a result, the totals shown in the accompanying financial statements in yen do not necessarily agree with the sums of the individual amounts.

The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of readers outside Japan and have been made at the rate of ¥160.72 to $1, the approximate rate of exchange at July 31, 2026. Such translations should not be construed as representations that the Japanese yen amounts have been, could have been, or could in the future be, converted into U.S. dollars at that or any other rate.

The Company does not prepare consolidated financial statements. The Company has six-month fiscal periods ending January 31 and July 31 of each calendar year.

3. Income Taxes

The asset and liability approach is used to recognize deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts and the tax bases of assets and liabilities. Deferred taxes are measured by applying currently enacted tax laws to the temporary differences.

4. Revenue Recognition

Revenue from leasing of retail space includes fixed rental revenue and the amount equivalent to fixed asset tax, city planning tax, and depreciable asset tax, which are all recognized on an accrual basis over the life of each lease.

AEON REIT Investment Corporation
Notes to Financial Statements

For the six-month periods ended January 31, 2026 and July 31, 2026

1. Notes on Assumption of Going Concern

Not applicable

2. Summary of Significant Accounting Policies

(a) 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.

(b) Depreciation Method for Non-Current Assets

1) Property and Equipment

Property and equipment are stated at cost. 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 45 years
Tools, furniture and fixtures in trust	3 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.

(c) Accounting 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.

(d) Accounting for Provisions

Provision for loss on disaster

Of the restoration work expenses for the assets damaged by the 2026 Eastern Shimane Prefecture Earthquake, the amount that could reasonably be estimated as of the end of the fiscal period ended January 31, 2026, was recorded as provision for loss on disaster.

Of the restoration work expenses for the assets damaged by the 2025 Aomori Prefecture East Offshore Earthquake and the 2026 Sanriku Offshore Earthquake, the amount that could reasonably be estimated as of the end of the fiscal period ended July 31, 2026, was recorded as provision for loss on disaster.

(e) Foreign Currency Translation

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.

(f) Revenue and Expenses

1) Standards for revenue recognition

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.

Sale of real estate properties

For the sale of real estate properties, revenue is recognized when the buyer, who is a customer, obtains control of the real estate property by satisfying the delivery obligations stipulated in the sale and purchase agreement of real estate properties.

In the Statements of Income, "Gain on sale of real estate properties" or "Loss on sale of real estate properties" is presented as the amount obtained by deducting "Cost of real estate properties sold," which is the book value of real estate properties sold, and "Other sales expenses," which are expenses directly required in the sale, from "Revenue from sale of real estate properties," which are proceeds from sale of real estate properties.

Utilities income

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 related agreements. 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.

2) Property-related Taxes

Property-related taxes, such as fixed asset tax, city planning tax, and depreciable asset tax, are imposed on real property held on a calendar year basis. The amount of such taxes assessed and determined by the local government that corresponds to the respective fiscal period is charged to expense as expenses related to rent business.

Generally, the seller of a property is liable for property-related taxes for the calendar year in which the property is disposed and is reimbursed by the buyer for a tax amount calculated from the date of disposal through the end of the calendar year. The tax amount is not charged to expense but capitalized as part of the acquisition cost for the respective property.

No property-related taxes were capitalized for the six-month period ended January 31, 2026.

No property-related taxes were capitalized for the six-month period ended July 31, 2026.

(g) Hedge Accounting

The Company enters into derivative transactions for the purpose of hedging risks defined in the Articles of Incorporation of the Company pursuant to the regulations that stipulate the basic policy of risk management. The Company hedges the risks of fluctuation in interest rates on borrowings using interest rate swaps.

The Company applies the exceptional treatment where interest rate swaps that qualify for hedge accounting and meet specific criteria are not remeasured at fair value but differentials paid or received under swap agreements are recognized and included in interest expenses or income. The Company does not assess hedge effectiveness since the interest rate swaps meet the criteria required for such exceptional treatment.

(h) Cash and Cash Equivalents

Cash and cash equivalents 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 from the date of acquisition.

(i) Other Significant Items Fundamental to Preparing the Financial Statements

1) Accounting Treatment for Trust Beneficiary Rights in Real Estate

For trust beneficiary rights in real estate, all assets and liabilities with respect to assets in trust as well as all revenues generated and expenses incurred with respect to assets in trust are recorded in the relevant accounts for balance sheets and statements of income of the accompanying financial statements.

2) Non-Deductible Consumption Taxes

National and local consumption taxes are excluded from transaction amounts.

3. Accounting Standards Not Yet Applied

- "Accounting Standard for Leases" (ASBJ Statement No. 34, September 13, 2024, ASBJ)
- "Implementation Guidance on Accounting Standard for Leases" (ASBJ Guidance No. 33, September 13, 2024, ASBJ), etc.

(1) Overview

As part of its efforts to ensure consistency between Japanese GAAP and international accounting standards, the ASBJ reviewed the Accounting Standard for Leases to recognize assets and liabilities for all leases held by a lessee, with international accounting standards taken into consideration. Accordingly, the ASBJ issued the Accounting Standard for Leases, etc. that adopts only the key provisions of IFRS 16 that is based on the single accounting model. The revision aims to be simple and highly convenient, and to make it unnecessary to revise non-consolidated financial statements that apply IFRS 16 in the Accounting Standard for Leases, etc. Regarding the method for allocating the lease expenses in the lessee's accounting treatment, using the same approach as IFRS 16, a single accounting model is applied for recording the depreciation associated with the right-of-use assets and the amount equivalent to the interest on the lease liabilities for all leases regardless of whether the lease is a finance lease or an operating lease

(2) Scheduled date of application

To be applied effective from the beginning of the fiscal period ending January 31, 2028.

(3) Impact from the application of the accounting standard, etc.

The impact from the application of the "Accounting Standard for Leases," etc. on the financial statements is currently under evaluation.

4. Significant Accounting Estimates

For the six-month period ended January 31, 2026

Impairment Losses of Non-Current Assets

(1) Balance of subject assets

	(Thousands of yen)
Impairment losses	Not applicable
Property and equipment	¥334,315,012
Intangible assets	73,672,694

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

In accordance with the 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 the 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, items such 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.

For the six-month period ended July 31, 2026

Impairment Losses of Non-Current Assets

(1) Balance of subject assets

	(Thousands of yen)	(Thousands of U.S. dollars)
Impairment losses	Not applicable	
Property and equipment	¥332,157,628	$2,066,685
Intangible assets	73,600,367	457,941

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

In accordance with the 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 the 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, items such 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.

(Additional Information)

Notes to Provision and Reversal of Allowance for Temporary Difference Adjustments

For the six-month period ended January 31, 2026

1. Reason for provision, related assets, etc. and amount of provision

There is an inconsistency between profits for accounting purposes and tax purposes due to the recording of amortization expenses of leasehold rights related to fixed-term leasehold rights for business purposes of AEON MALL Shinkomatsu and four other properties, and ¥77,795 thousand of allowance for temporary difference adjustments has been recorded in the statements of cash distributions with regard to such inconsistency.

2. Specific method of reversal

The amount subject to reversal is scheduled to be reversed at the time of sale and removal of the asset.

For the six-month period ended July 31, 2026

1. Reason for provision, related assets, etc. and amount of provision

There is an inconsistency between profits for accounting purposes and tax purposes due to the recording of amortization expenses of leasehold rights related to fixed-term leasehold rights for business purposes of AEON MALL Shinkomatsu and four other properties, and ¥250,205 thousand of allowance for temporary difference adjustments has been recorded in the statements of cash distributions with regard to such inconsistency.

2. Specific method of reversal

The amount subject to reversal is scheduled to be reversed at the time of sale and removal of the asset.

5. Balance Sheets

1. Allowance for temporary difference adjustments

For the six-month period ended January 31, 2026

(i) Reason for allowance, related assets, etc., and amount of allowance

(Thousands of yen)

Related assets, etc.	Reason for allowance	Initial accrual	Balance at beginning of current period	Allowance for current period	Initial reversal amount	Balance at end of current period	Reasons for reversal
Leasehold rights in trust, etc.	Accrual of amortization of leasehold interest expenses	¥284,766	¥183,842	¥100,923	—	¥284,766	—

(ii) Specific method of reversal

The amount subject to reversal is scheduled to be reversed at the time of transfer or removal of the relevant assets.

For the six-month period ended July 31, 2026

(i) Reason for allowance, related assets, etc., and amount of allowance

(Thousands of yen)

Related assets, etc.	Reason for allowance	Initial accrual	Balance at beginning of current period	Allowance for current period	Initial reversal amount	Balance at end of current period	Reasons for reversal
Leasehold rights in trust, etc.	Accrual of amortization of leasehold interest expenses	¥362,561	¥284,766	¥77,795	—	¥362,561	—

(ii) Specific method of reversal

The amount subject to reversal is scheduled to be reversed at the time of transfer or removal of the relevant assets.

2. Cancellation of treasury investment units

	As of		
	January 31, 2026	July 31, 2026	July 31, 2026
	(Thousands of yen)		(Thousands of U.S. dollars)
Total number of cancelled units (Units)	21,383	21,383	
Total amount cancelled	¥2,708,787	¥2,708,787	$16,854

Note: The above figures are cumulative, and there have been no cancelled treasury investment units during current period.

3. Minimum net assets as provided in Article 67, paragraph 4 of the Act on Investment Trusts and Investment Corporations

	As of		
	January 31, 2026	July 31, 2026	July 31, 2026
	(Thousands of yen)		(Thousands of U.S. dollars)
Minimum net assets as provided in Article 67, paragraph 4 of the Act on Investment Trusts and Investment Corporations	¥50,000	¥50,000	$311

6. Statements of Income

(a) Revenues and Expenses Related to Real Estate Leasing Business

Revenues and expenses related to real estate leasing business for the six-month periods ended January 31, 2026 and July 31, 2026 consist of the following:

	For the six-month period ended		
	January 31, 2026	July 31, 2026	July 31, 2026
	(Thousands of yen)		(Thousands of U.S. dollars)
Revenues related to real estate leasing business			
Rent revenue - real estate			
Rent	¥21,045,568	¥21,087,038	$131,203
Other lease business revenue - real estate	60,482	121,337	754
Total revenues related to real estate leasing business	¥21,106,051	¥21,208,375	$131,958
Expenses related to real estate leasing business			
Expenses related to rent business			
Property and facility management fees	¥ 48,973	¥ 49,737	$ 309
Repairs and maintenance expenses	1,364,769	2,256,652	14,040
Insurance expenses	370,040	374,838	2,332
Trust fees	24,867	27,916	173
Land rent paid	2,676,039	2,678,385	16,664
Taxes and dues	2,353,855	2,365,514	14,718
Depreciation	5,247,436	5,239,477	32,600
Water charges	33,396	47,564	295
Other expenses related to rent business	2,062	79,406	494
Total expenses related to real estate leasing business	¥12,121,441	¥13,119,492	$ 81,629
Operating income from real estate leasing business	¥ 8,984,609	¥ 8,088,882	$ 50,329

(b) Breakdown of gain on sale of real estate properties

For the six-month period ended January 31, 2026

Not applicable

For the six-month period ended July 31, 2026

	(Thousands of yen)	(Thousands of U.S. dollars)
Revenue from sale of real estate properties	¥103,000	$640
Cost of real estate properties sold	90,272	561
Other sales expenses	6,076	37
Gain on sale of real estate properties	¥ 6,651	$ 41

(c) Breakdown of Dividends Received

For the six month period ended January 31, 2026, the entire amount of the profit available for dividend (RM5,388,708 (¥200,398 thousand) based on the results of the fiscal period ended July 2025 of JAMBATAN MANSEIBASHI (M) Sdn. Bhd. was paid to AEON REIT as dividends,[Note 3] which were calculated on the following basis.

(Unit: RM (Thousands of yen))

Revenues	RM8,140,828 (¥275,729)
Property operating expenses	636,648 (21,563)
Other expenses	305,447 (10,345)
Unrealized gain from valuation of investment properties	2,000,000 (67,740)
Net profit before taxation	9,198,733 (311,561)
Net profit before taxation after deducting unrealized gain	7,198,733 (243,821)
Tax expense on net income before income taxes after deducting unrealized gain	1,810,025 (61,305)
Profit available for dividend [Note 3]	5,388,708 (200,398)
Dividends [Note 3]	RM5,388,708 (¥200,398)

Notes: 1. The table above is based on the accounting standards of Malaysia (equivalent to IFRS), although disclosure is not based on the Malaysian standards.
2. For the exchange rate, the period-average exchange rate (RM1 = JPY33.87 (rounded down to the second decimal place)) is used.
3. Profit available for dividend and dividends are converted to the yen value by using the forward exchange rate on December 2, 2025 of RM1 = JPY37.18 (rounded down to the second decimal place.)

For the six month period ended July 31, 2026, the entire amount of the profit available for dividend (RM5,608,218 (¥223,079 thousand) based on the results of the fiscal period ended January 2026 of JAMBATAN MANSEIBASHI (M) Sdn. Bhd. was paid to AEON REIT as dividends,[Note 3] which were calculated on the following basis.

(Unit: RM (Thousands of yen))

Revenues	RM8,746,776 (¥321,269)
Property operating expenses	628,910 (23,099)
Other expenses	552,308 (20,286)
Unrealized gain from valuation of investment properties	2,000,000 (73,460)
Net profit before taxation	9,565,558 (351,342)
Net profit before taxation after deducting unrealized gain	7,565,558 (277,882)
Tax expense on net income before income taxes after deducting unrealized gain	1,957,340 (71,893)
Profit available for dividend [Note 3]	5,608,218 (223,079)
Dividends [Note 3]	RM5,608,218 (¥223,079)

Notes: 1. The table above is based on the accounting standards of Malaysia (equivalent to IFRS), although disclosure is not based on the Malaysian standards.
2. For the exchange rate, the period-average exchange rate (RM1 = JPY36.73 (rounded down to the second decimal place)) is used.
3. Profit available for dividend and dividends are converted to the yen value by using the forward exchange rate on June 3, 2026 of RM1 = JPY39.77 (rounded down to the second decimal place.)

(d) Breakdown of Extraordinary Income

For the six-month period ended January 31, 2026, the Company recorded insurance income for the assets damaged by the 2025 Typhoon Lingling (¥7,712 thousand).

For the six-month period ended July 31, 2026, the Company recorded insurance income for the assets damaged by the 2025 Aomori Prefecture East Offshore Earthquake, the 2026 Eastern Shimane Prefecture Earthquake and the 2026 Sanriku Offshore Earthquake (¥14,812 thousand).

(e) Breakdown of Extraordinary Losses

For the six-month period ended January 31, 2026, the Company recorded the following extraordinary losses.

1) Loss on disaster

Losses related to the assets damaged by the 2025 Typhoon Lingling and the 2026 Eastern Shimane Prefecture Earthquake (expenses for restoration work) were recognized as loss on disaster (¥26,047 thousand).

2) Provision for loss on disaster

With regard to the assets damaged by the 2026 Eastern Shimane Prefecture Earthquake, expenses for restoration work that were reasonably estimated as of the end of the fiscal period ended January 31, 2026 (¥24,900 thousand) were recorded as provision for loss on disaster.

For the six-month period ended July 31, 2026, the Company recorded the following extraordinary losses.

1) Loss on disaster

Losses related to the assets damaged by the 2025 Aomori Prefecture East Offshore Earthquake, the 2026 Eastern Shimane Prefecture Earthquake, the 2026 Sanriku Offshore Earthquake and the 2026 Nara Prefecture Earthquake were recognized as loss on disaster (¥54,661 thousand).

2) Provision for loss on disaster

With regard to the assets damaged by the 2025 Aomori Prefecture East Offshore Earthquake and the 2026 Sanriku Offshore Earthquake, expenses for restoration work that were reasonably estimated as of the end of the fiscal period ended July 31, 2026 (¥51,429 thousand) were recorded as provision for loss on disaster.

7. Statements of Changes in Net Assets

The total number of investment units which the Company is authorized to issue is 10,000,000 units, and the total number of investment units issued and outstanding as of January 31, 2026 and July 31, 2026 is 2,102,569 and 2,102,569 units, respectively.

8. Statements of Cash Flows

Cash and cash equivalents as of January 31, 2026 and July 31, 2026 consist of the following:

	As of		
	January 31, 2026	July 31, 2026	July 31, 2026
	(Thousands of yen)		(Thousands of U.S. dollars)
Cash and deposits	¥24,741,024	¥27,633,732	$171,937
Cash and deposits in trust	9,373,296	8,594,676	53,476
Cash and cash equivalents	¥34,114,320	¥36,228,409	$225,413

9. Leases

The Company leases retail properties. The future minimum lease payments to be made under non-cancelable operating leases of properties as of January 31, 2026 and July 31, 2026 are as follows:

Operating lease transactions (As Lessee)

	As of		
	January 31, 2026	July 31, 2026	July 31, 2026
	(Thousands of yen)		(Thousands of U.S. dollars)
Due within 1 year	¥ 483,771	¥ 483,771	$ 3,010
Due after 1 year	18,547,950	18,306,064	113,900
Total	¥19,031,722	¥18,789,836	$116,910

The Company leases its retail properties to tenants. The future minimum lease payments to be received under non-cancelable operating leases of properties as of January 31, 2026 and July 31, 2026 are as follows:

Operating lease transactions (As Lessor)

	As of		
	January 31, 2026	July 31, 2026	July 31, 2026
	(Thousands of yen)		(Thousands of U.S. dollars)
Due within 1 year	¥ 42,103,635	¥ 42,121,059	$262,077
Due after 1 year	94,291,876	87,408,998	543,858
Total	¥136,395,512	¥129,530,058	$805,936

10. Financial Instruments

(a) Status of Financial Instruments

(i) Policy for financial instruments

The Company's basic policy is to execute a stable, flexible and efficient financial strategy. It procures funds by borrowing, issuing investment corporation bonds (including short-term investment corporation bonds) and investment units and other means for purposes including portfolio growth through property acquisitions.

The Company enters into derivative transactions only to hedge risks such as risk of fluctuations in interest rates associated with borrowings and exchange rate fluctuation risk associated with operating receivables and payables denominated in foreign currencies.

(ii) Nature and extent of risks arising from financial instruments and risk management

Loans payable and investment corporation bonds are used mainly for acquiring real estate and trust beneficiary rights in real estate.

Tenant leasehold and security deposits in trust are deposits received from 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 Company's operations. Furthermore, for some of the loans payable with floating interest rates, derivative transactions (interest rate swaps) are utilized as hedging instruments in order to hedge the risk of fluctuations in interest rates and to fix interest expenses. The hedge effectiveness of interest rate swaps is assessed by comparing the cumulative changes in cash flows of hedging instruments and hedged items and based on the respective amount of changes. However, the assessment of hedge effectiveness is omitted for those interest rate swaps that meet the criteria for exceptional treatment.

Derivative transactions are conducted and managed in accordance with 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, the Company manages these risks through preparing monthly financing plans, maintaining liquidity, and other means by its 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.

The Company 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 the Company's earnings. If the yen increasingly appreciates against other currencies, the yen-based value of foreign currency denominated transactions that arise in connection with investments in overseas real estate, etc. may be diminished to negatively impact the Company'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 the yen at the exchange rate prevailing on the closing date for the preparation of financial statements. Due to exchange rate fluctuations, these accounts may negatively affect the Company's net income.

(iii) Supplementary explanations on fair values of financial instruments

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

(b) Fair Values of Financial Instruments

The following table shows carrying amounts, fair values, and unrealized gains or losses of financial instruments as of January 31, 2026 and July 31, 2026. 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.

	As of								
	January 31, 2026			July 31, 2026			July 31, 2026		
	Carrying amount	Fair value	Unrealized gain (loss)	Carrying amount	Fair value	Unrealized gain (loss)	Carrying amount	Fair value	Unrealized gain (loss)
	(Thousands of yen)						(Thousands of U.S. dollars)		
(1) Current portion of investment corporation bonds	¥ 1,000,000	¥ 991,100	(¥ 8,900)	¥ 1,000,000	¥ 997,000	(¥ 3,000)	$ 6,222	$ 6,203	($ 18)
(2) Current portion of long-term loans payable	24,300,000	24,198,674	(101,325)	24,300,000	24,243,704	(56,295)	151,194	150,844	(350)
(3) Investment corporation bonds	48,000,000	44,935,300	(3,064,700)	48,000,000	44,906,200	(3,093,800)	298,656	279,406	(19,249)
(4) Long-term loans payable	114,600,000	110,758,062	(3,841,937)	114,600,000	110,098,119	(4,501,880)	713,041	685,030	(28,010)
Total	¥187,900,000	¥180,883,137	(¥7,016,862)	¥187,900,000	¥180,245,023	(¥7,654,976)	$1,169,113	$1,121,484	($47,629)
(5) Derivative transactions	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	$ —	$ —	$ —

Notes: 1. Methods used to calculate fair values of financial instruments

(1) Current portion of investment corporation bonds and (3) Investment corporation bonds

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

(2) Current portion of long-term loans payable and (4) Long-term loans payable

Because interest rates of long-term loans payable with floating interest rates are to be revised periodically, their carrying amounts approximate fair values. Fair value of long-term loans payable with 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. Fair value of interest rate swaps, to which the exceptional treatment is applied, is included in the fair value of long-term loans payable, a hedged item.

(5) Derivative transactions

Please refer to "12. Derivatives" described below.

2. Carrying amount of financial instruments whose fair value is extremely difficult to determine

	As of		
	January 31, 2026	July 31, 2026	July 31, 2026
	(Thousands of yen)		(Thousands of U.S. dollars)
Shares of subsidiaries and associates	¥6,078,453	¥6,078,453	$37,820
Total	¥6,078,453	¥6,078,453	$37,820

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.

3. Repayment schedule for investment corporation bonds and loans payable

January 31, 2026	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
	(Thousands of yen)					
Current portion of investment corporation bonds	¥ 1,000,000	¥ —	¥ —	¥ —	¥ —	¥ —
Current portion of long-term loans payable	24,300,000	—	—	—	—	—
Investment corporation bonds	—	2,000,000	15,000,000	12,000,000	18,000,000	1,000,000
Long-term loans payable	—	27,100,000	18,900,000	22,200,000	14,700,000	31,700,000
Total	¥25,300,000	¥29,100,000	¥33,900,000	¥34,200,000	¥32,700,000	¥32,700,000

July 31, 2026	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
	(Thousands of yen)					
Current portion of investment corporation bonds	¥ 1,000,000	¥ —	¥ —	¥ —	¥ —	¥ —
Current portion of long-term loans payable	24,300,000	—	—	—	—	—
Investment corporation bonds	—	2,000,000	15,000,000	12,000,000	18,000,000	1,000,000
Long-term loans payable	—	27,100,000	18,900,000	22,200,000	14,700,000	31,700,000
Total	¥25,300,000	¥29,100,000	¥33,900,000	¥34,200,000	¥32,700,000	¥32,700,000

July 31, 2026	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
	(Thousands of U.S. dollars)					
Current portion of investment corporation bonds	$ 6,222	$ —	$ —	$ —	$ —	$ —
Current portion of long-term loans payable	151,194	—	—	—	—	—
Investment corporation bonds	—	12,444	93,330	74,664	111,996	6,222
Long-term loans payable	—	168,616	117,595	138,128	91,463	197,237
Total	$157,416	$181,060	$210,925	$212,792	$203,459	$203,459

11. Investment Securities

(1) Shares of subsidiaries and associates

26th fiscal period (as of January 31, 2026)

Please refer to "10. Financial Instruments, (b) Fair Values of Financial Instruments, Note 2. Carrying amount of financial instruments whose fair value is extremely difficult to determine" above.

27th fiscal period (as of July 31, 2026)

Please refer to "10. Financial Instruments, (b) Fair Values of Financial Instruments, Note 2. Carrying amount of financial instruments whose fair value is extremely difficult to determine" above.

12. Derivatives

The following table shows derivative transactions, to which hedge accounting is applied, as of January 31, 2026 and July 31, 2026. The Company enters into derivative transactions only for hedging purposes.

As of January 31, 2026

Method of hedge accounting	Type	Hedged item	Contract amount		Fair value
			Total	Due after 1 year	
			(Thousands of yen)		
Exceptional treatment for hedge accounting of interest rate swaps	Interest rate swaps (fixed rate payment, floating rate receipt)	Long-term loans payable	¥138,900,000	¥114,600,000	(Note)

As of July 31, 2026

Method of hedge accounting	Type	Hedged item	Contract amount		Fair value	Contract amount		Fair value
			Total	Due after 1 year		Total	Due after 1 year	
			(Thousands of yen)			(Thousands of U.S. dollars)		
Exceptional treatment for hedge accounting of interest rate swaps	Interest rate swaps (fixed rate payment, floating rate receipt)	Long-term loans payable	¥138,900,000	¥114,600,000	(Note)	$864,235	$713,041	(Note)

Note: Interest rate swaps, to which exceptional treatment is applied, are accounted for as a single unit with the hedged item, long-term loans payable. Thus, the fair value of the interest rate swaps is included in the fair value of "(4) Long-term loans payable" in "10. Financial Instruments, (b) Fair Values of Financial Instruments."

13. Retirement Benefits

26th fiscal period (as of January 31, 2026)

Not applicable

27th fiscal period (as of July 31, 2026)

Not applicable

14. Income Taxes

The following table shows a reconciliation between the statutory tax rate and effective tax rate for the six-month periods ended January 31, 2026 and July 31, 2026.

	For the six-month period ended	
	January 31, 2026	July 31, 2026
	(%)	
Statutory tax rate	31.46	31.46
Deductible cash distributions	(31.81)	(32.78)
Other	0.38	1.33
Effective tax rate	0.02	0.01

Deferred tax assets and liabilities consist of the following:

	As of		
	January 31, 2026	July 31, 2026	July 31, 2026
	(Thousands of yen)		(Thousands of U.S. dollars)
Deferred tax assets			
Accrued enterprise tax, not deductible from taxable income	¥ 63	¥ 11	$ 0
Asset retirement obligations	178,479	179,211	1,115
Amortization of leasehold interests	212,862	235,616	1,466
Long-term deposits	—	11,353	70
Provision for loss on disaster	—	10,185	63
Subtotal of deferred tax assets	391,405	436,377	2,715
Valuation allowance	(243,110)	(290,018)	(1,804)
Total deferred tax assets	148,294	146,359	910
Deferred tax liabilities			
Property and equipment corresponding to the asset retirement obligations	(148,231)	(146,348)	(910)
Total deferred tax liabilities	(148,231)	(146,348)	(910)
Net deferred tax assets	¥ 63	¥ 11	$ 0

15. Share of Profit or Loss of Equity-Method Affiliates

26th fiscal period (as of January 31, 2026)
Not applicable

27th fiscal period (as of July 31, 2026)
Not applicable

16. Related Party Transactions

1. Parent company and major unitholders
26th fiscal period (as of January 31, 2026)
Not applicable

27th fiscal period (as of July 31, 2026)
Not applicable

2. Affiliates
26th fiscal period (as of January 31, 2026)
Not applicable

27th fiscal period (as of July 31, 2026)
Not applicable

3. Subsidiaries

As of / For the six-month period ended January 31, 2026

Attribute	Name	Location	Capital stock or investments in capital (Millions of yen)	Business or occupation	Ownership of voting rights (%)
Subsidiary of other affiliate	AEON Reit Management Co., Ltd.	Chiyoda-ku, Tokyo	¥ 350	Investment management business	—
Subsidiary of other affiliate	AEON Mall Co., Ltd.	Chiba City, Chiba Pref.	¥42,430	Real estate business	—
Subsidiary of other affiliate	AEON Retail Co., Ltd.	Chiba City, Chiba Pref.	¥ 100	Retail business	—
Subsidiary of other affiliate	AEON BANK, LTD.	Chiyoda-ku, Tokyo	¥51,250	Banking business	—
Subsidiary of other affiliates	AEON CO. (M) BHD.	Kuala Lumpur, Malaysia	702 million RM	Retail business	—
Officer	Nobuaki Seki	—	—	Executive Director of the Company and Representative Director and President of AEON Reit Management Co., Ltd.	(owned) Direct 0.0%

Notes: 1. The amount of transaction does not include consumption taxes.
2. Transaction terms are determined through price negotiations based on current market prices.
3. Amount of transaction is converted 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).
4. Transaction terms are determined taking into consideration current market prices.
5. The asset management fee represents transactions performed by Nobuaki Seki in the role of representative of a third party (AEON Reit Management Co., Ltd.). The amount of the asset management fee is in accordance with the terms set forth in the Articles of Incorporation of the Company

Relationship		Nature of transaction	Amount of transaction (Thousands of yen)	Account title	Ending balance (Thousands of yen)
Interlocking directors	Business relationship				
Interlocking directorate: 1	Asset manager	Payment of asset management fee	¥966,893 (Note 1, 2)	Accounts payable - other	¥380,440
—	Lessee and recipient of land rent payment	Rent revenue – real estate	¥10,950,013 (Note 1, 2)	Tenant leasehold and security deposits	¥2,628
				Tenant leasehold and security deposits in trust	¥7,632,976
		Land rent paid, etc.	¥1,333,275 (Note 1, 2)	—	—
—	Lessee and recipient of land rent payment	Rent revenue – real estate	¥6,776,102 (Note 1, 2)	Tenant leasehold and security deposits in trust	¥5,758,394
		Land rent paid, etc.	¥895,515 (Note 1, 2)	—	—
—	Lender	Borrowing of long-term loans payable	¥700,000 (Note 1, 2)	Long-term loans payable	¥2,900,000
		Repayment of long-term loans payable	¥700,000 (Note 1, 2)	Current portion of long-term loans payable	¥1,000,000
		Interest expenses	¥26,014 (Note 1, 2)	Accrued expenses	¥2,021
—	Lessee	Rent revenue - real estate (Note 3)	¥30,507 (Note 1, 2, 3)	—	—
Executive Director of the Company and Representative Director and President of AEON Reit Management Co., Ltd.		Payment of asset management fee to asset manager	¥966,893 (Note 1, 4, 5)	Accounts payable - other	¥380,440

As of / For the six-month period ended July 31, 2026

Attribute	Name	Location	Capital stock or investments in capital (Millions of yen)	Business or occupation	Ownership of voting rights (%)
Subsidiary of other affiliate	AEON Reit Management Co., Ltd.	Chiyoda-ku, Tokyo	¥ 350	Investment management business	—
Subsidiary of other affiliate	AEON Mall Co., Ltd.	Chiba City, Chiba Pref.	¥42,430	Real estate business	—
Subsidiary of other affiliate	AEON Retail Co., Ltd.	Chiba City, Chiba Pref.	¥ 100	Retail business	—
Subsidiary of other affiliate	AEON BANK, LTD.	Chiyoda-ku, Tokyo	¥51,250	Banking business	—
Subsidiary of other affiliates	AEON CO. (M) BHD.	Kuala Lumpur, Malaysia	702 million RM	Retail business	—
Officer	Nobuaki Seki	—	—	Executive Director of the Company and Representative Director and President of AEON Reit Management Co., Ltd.	(owned) Direct 0.0%

Notes: 1. The amount of transaction does not include consumption taxes.
2. Transaction terms are determined through price negotiations based on current market prices.
3. Amount of transaction is converted 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).
4. Transaction terms are determined taking into consideration current market prices.
5. The asset management fee represents transactions performed by Nobuaki Seki in the role of representative of a third party (AEON Reit Management Co., Ltd.). The amount of the asset management fee is in accordance with the terms set forth in the Articles of Incorporation of the Company
6. The amount of the asset management fee includes ¥257 thousand included in the book value of real estate properties as asset management fee for property disposition.

Relationship		Nature of transaction	Amount of transaction (Thousands of yen) [Thousands of U.S. dollars]	Account title	Ending balance (Thousands of yen) [Thousands of U.S. dollars]
Interlocking directors	Business relationship				
Interlocking directorate: 1	Asset manager	Payment of asset management fee (Note 6)	¥886,546 (Note 1, 2) [$5,516]	Accounts payable - other	¥312,072 [$1,941]
—	Lessee and recipient of land rent payment	Rent revenue – real estate	¥10,960,410 (Note 1, 2) [$68,195]	Tenant leasehold and security deposits	¥2,628 [$16]
				Tenant leasehold and security deposits in trust	¥7,632,976 [$47,492]
		Land rent paid, etc.	¥1,335,306 (Note 1, 2) [$8,308]	—	—
—	Lessee and recipient of land rent payment	Rent revenue – real estate	¥6,781,783 (Note 1, 2) [$42,196]	Tenant leasehold and security deposits in trust	¥5,758,394 [$35,828]
		Land rent paid, etc.	¥895,515 (Note 1, 2) [$5,571]	—	—
—	Lender	—	—	Long-term loans payable	¥2,900,000 [$18,043]
		—	—	Current portion of long-term loans payable	¥1,000,000 [$6,222]
		Interest expenses	¥32,841 (Note 1, 2) [$204]	Accrued expenses	¥2,293 [$14]
—	Lessee	Rent revenue - real estate (Note 3)	¥33,664 (Note 1, 2, 3) [$209]	—	—
Executive Director of the Company and Representative Director and President of AEON Reit Management Co., Ltd.		Payment of asset management fee to asset manager	¥886,546 (Note 1, 4, 5) [$5,516]	Accounts payable - other	¥312,072 [$1,941]

17. 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

	For the six-month period ended		
	January 31, 2026	July 31, 2026	July 31, 2026
	(Thousands of yen)		(Thousands of U.S. dollars)
Balance at beginning of current period	¥565,005	¥567,321	$3,529
Increase in property and equipment	—	—	—
Adjustment due to passage of time	2,316	2,325	14
Balance at end of current period	¥567,321	¥569,647	$3,544

18. Investment and Rental Properties

The Company holds retail properties for rental purposes. The following table shows the carrying amount and fair value of these rental properties for the six-month periods ended January 31, 2026 and July 31, 2026.

The amounts for the six-month period ended January 31, 2026 and the amounts for the six-month period ended July 31, 2026 do not include AEON MALL SEREMBAN 2 held through the Overseas SPC.

	As of / For the six-month period ended		
	January 31, 2026	July 31, 2026	July 31, 2026
	(Thousands of yen)		(Thousands of U.S. dollars)
Carrying amount (Note 1)			
Balance at beginning of period	¥410,309,699	¥407,987,706	$2,538,499
Changes during period (Note 2, 3)	(2,321,992)	(2,229,710)	(13,873)
Balance at end of period	¥407,987,706	¥405,757,996	$2,524,626
Fair value at end of period (Note 4)	¥507,932,600	¥503,274,964	$3,131,377

Notes: 1. The carrying amount is stated at acquisition cost less accumulated depreciation.

2. Of the changes for the six-month period ended January 31, 2026, the increase is mainly due to capital expenditures at existing properties amounting to ¥2,923,127 thousand, while the decrease is principally attributable to depreciation amounting to ¥5,245,119 thousand.

3. Of the changes for the six-month period ended July 31, 2026, the increase is mainly due to capital expenditures at existing properties amounting to ¥3,097,713 thousand, while the decrease is principally attributable to recording depreciation amounting to ¥5,237,151 thousand and partial sale of Daiei-Ibaraki Process Center amounting to ¥90,272 thousand.

4. The fair value at the end of the six-month period ended January 31, 2026 and the fair value at the end of the six-month period ended July 31, 2026 are the (planned) disposition price if a disposition contract has been concluded, and for other real estate, the appraisal or survey values provided by an independent real estate appraiser.

Please refer to (a) Revenues and Expenses Related to Real Estate Leasing Business in 6. Statements of Income for revenues and expenses related to investment and rental property.

19. Revenue Recognition

For the six-month period ended January 31, 2026

1. Breakdown information on revenue from contracts with customers

For the breakdown information on revenue from contracts with customers, refer to (a) Revenues and Expenses Related to Real Estate Leasing Business in 6. Statements of Income.

Note that (a) 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 (¥40,932 thousand) that is included in Other lease business revenue - real estate.

2. Basic information for understanding revenue from contracts with customers

The information is as described in 2. Summary of 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

For the six-month period ended July 31, 2026

1. Breakdown information on revenue from contracts with customers

For the breakdown information on revenue from contracts with customers, refer to (a) Revenues and Expenses Related to Real Estate Leasing Business and (b) Breakdown of Gain on Sale of Real Estate Properties in 6. Statements of Income.

Note that (a) 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 revenue from sale of real estate (¥103,000 thousand) and utilities income (¥40,027 thousand) that is included in Other lease business revenue - real estate.

2. Basic information for understanding revenue from contracts with customers

The information is as described in 2. Summary of 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

20. Limitations on Management of Assets

For the six-month period ended January 31, 2026

The Company owns the shares of JAMBATAN MANSEIBASHI (M) Sdn. Bhd., which falls under the category of an overseas real estate holding corporation in the sense that the Company holds the shares issued by an overseas real estate holding corporation or equity interests in the corporation with the number of issues or the value of equity interests surpassing the number or value obtained by multiplying the total number of shares issued by the corporation or the total value of the equity interests in the corporation (excluding the treasury shares or equity investment on its own of the corporation) by the rate designated in Article 221 of the Regulation for Enforcement of the Act on Investment Trusts and Investment Corporations. Matters related to JAMBATAN MANSEIBASHI (M) Sdn. Bhd. are as follows. Furthermore, the financial statements based on Malaysia's accounting standards (equivalent to IFRS) have been audited by PwC Malaysia. Audit procedures for the financial statements of the period ended January 2026 have not yet been completed.

(1) Total acquisition price of shares of JAMBATAN MANSEIBASHI (M) Sdn. Bhd.

RM240,185,002 (¥6,078,453,998) (Note)

Note: The value converted to Japanese yen from Malaysian Ringgit indicates the sum total of the yen-based payments AEON REIT made in multiple installments for the shares of the Overseas SPC. The amount includes the expenses required for the acquisition of the shares.

(2) Ratio of the number of shares of JAMBATAN MANSEIBASHI (M) Sdn. Bhd. that belong to the Company's assets to the total number of shares issued by JAMBATAN MANSEIBASHI (M) Sdn. Bhd.

100%

(3) Amounts of major items in the balance sheets and statements of income of JAMBATAN MANSEIBASHI (M) Sdn. Bhd.

With regard to the closing of accounts of JAMBATAN MANSEIBASHI (M) Sdn. Bhd. for the fiscal period ended July 2025 (February 1, 2025 to July 31, 2025), audits have been completed by PwC Malaysia on the basis of Malaysia's accounting standards (equivalent to IFRS). Of the company's audited financial statements for the fiscal period ended July 2025 based on the relevant laws, amounts of major items in the balance sheets and statements of income are as follows.

Items on the balance sheets	As of July 31, 2025	
	RM (Thousands of yen) (Note 1, 2)	
Total current assets	RM 19,917,697	(¥ 699,907)
Total non-current assets	156,084,736	(5,484,817)
(Of which, total investment properties)	156,084,736	(5,484,817)
Total current liabilities	295,133	(10,370)
Total non-current liabilities	—	(—)
Total net assets	RM175,707,300	(¥6,174,354)

Notes: 1. For the balance sheets, figures of the financial statements prepared on the basis of Malaysia's accounting standards (equivalent to IFRS) have been reclassified to figures based on Japanese accounting standards (although disclosure is not based on Japanese accounting standards).RM5,569,404 (¥185,708 thousand) was paid as dividend to the Company on June 10, 2025. In receiving dividends, the Company conducts forward exchange transactions in which the exchange rate for converting RM to Japanese yen is set in advance, and the applied exchange rate for such transactions is RM1 = JPY33.34 (rounded down to the second decimal place).

2. The exchange rate on the closing date (July 31, 2025) (RM1 = JPY35.14; rounded down to the second decimal place) is used for the conversion.

Items on the statements of income	For the period from February 1, 2025 to July 31, 2025
	RM (Thousands of yen) (Note 1, 2)
Net sales	RM8,140,828 (¥ 275,729)
Income (loss) before income taxes	4,678,272 (158,453)
Net income (loss)	RM2,984,056 (¥ 101,069)

Notes: 1. For the statements of income, figures of the financial statements prepared on the basis of Malaysia's accounting standards (equivalent to IFRS) have been reclassified to figures based on Japanese accounting standards (although disclosure is not based on Japanese accounting standards). RM5,388,708 (¥200,398 thousand) was paid as dividend to the Company on December 8, 2025. In receiving dividends, the Company conducts forward exchange transactions in which the exchange rate for converting RM to Japanese yen is set in advance, and the applied exchange rate for such transactions is RM1 = JPY37.18 (rounded down to the second decimal place).

2. The average exchange rate for the period (RM1 = JPY33.87; rounded down to the second decimal place) is used for the conversion.

For the six-month period ended July 31, 2026

The Company owns the shares of JAMBATAN MANSEIBASHI (M) Sdn. Bhd., which falls under the category of an overseas real estate holding corporation in the sense that the Company holds the shares issued by an overseas real estate holding corporation or equity interests in the corporation with the number of issues or the value of equity interests surpassing the number or value obtained by multiplying the total number of shares issued by the corporation or the total value of the equity interests in the corporation (excluding the treasury shares or equity investment on its own of the corporation) by the rate designated in Article 221 of the Regulation for Enforcement of the Act on Investment Trusts and Investment Corporations. Matters related to JAMBATAN MANSEIBASHI (M) Sdn. Bhd. are as follows. Furthermore, the financial statements based on Malaysia's accounting standards (equivalent to IFRS) have been audited by PwC Malaysia. Audit procedures for the financial statements of the period ended July 2026 have not yet been completed.

(1) Total acquisition price of shares of JAMBATAN MANSEIBASHI (M) Sdn. Bhd.

RM240,185,002 (¥6,078,453,998) (Note)

Note: The value converted to Japanese yen from Malaysian Ringgit indicates the sum total of the yen-based payments AEON REIT made in multiple installments for the shares of the Overseas SPC. The amount includes the expenses required for the acquisition of the shares.

(2) Ratio of the number of shares of JAMBATAN MANSEIBASHI (M) Sdn. Bhd. that belong to the Company's assets to the total number of shares issued by JAMBATAN MANSEIBASHI (M) Sdn. Bhd.

100%

(3) Amounts of major items in the balance sheets and statements of income of JAMBATAN MANSEIBASHI (M) Sdn. Bhd.

With regard to the closing of accounts of JAMBATAN MANSEIBASHI (M) Sdn. Bhd. for the fiscal period ended January 2026 (August 1, 2025 to January 31, 2026), audits have been completed by PwC Malaysia on the basis of Malaysia's accounting standards (equivalent to IFRS). Of the company's audited financial statements for the fiscal period ended January 2026 based on the relevant laws, amounts of major items in the balance sheets and statements of income are as follows.

Items on the balance sheets	As of January 31, 2026	
	RM (Thousands of yen) (Note 1, 2)	
Total current assets	RM 20,756,962	(¥ 811,182)
Total non-current assets	153,564,276	(6,001,291)
(Of which, total investment properties)	153,564,276	(6,001,291)
Total current liabilities	1,030,697	(40,279)
Total non-current liabilities	—	(—)
Total net assets	RM173,290,541	(¥6,772,194)

Notes: 1. For the balance sheets, figures of the financial statements prepared on the basis of Malaysia's accounting standards (equivalent to IFRS) have been reclassified to figures based on Japanese accounting standards (although disclosure is not based on Japanese accounting standards).RM5,388,708 (¥200,398 thousand) was paid as dividend to the Company on December 8, 2025. In receiving dividends, the Company conducts forward exchange transactions in which the exchange rate for converting RM to Japanese yen is set in advance, and the applied exchange rate for such transactions is RM1 = JPY37.18 (rounded down to the second decimal place).

2. The exchange rate on January 30, 2026, one day before the closing date (January 31, 2026) since it is not a business day (RM1 = JPY39.08; rounded down to the second decimal place) is used for the conversion.

Items on the statements of income	For the period from August 1, 2025 to January 31, 2026	
	RM (Thousands of yen) (Note 1, 2)	
Net sales	RM8,746,776	(¥ 321,269)
Income (loss) before income taxes	5,045,098	(185,306)
Net income (loss)	RM2,971,949	(¥ 109,159)

Notes: 1. For the statements of income, figures of the financial statements prepared on the basis of Malaysia's accounting standards (equivalent to IFRS) have been reclassified to figures based on Japanese accounting standards (although disclosure is not based on Japanese accounting standards). RM5,608,218 (¥223,079 thousand) was paid as dividend to the Company on June 9, 2026. In receiving dividends, the Company conducts forward exchange transactions in which the exchange rate for converting RM to Japanese yen is set in advance, and the applied exchange rate for such transactions is RM1 = JPY39.77 (rounded down to the second decimal place).

2. The average exchange rate for the period (RM1 = JPY36.73; rounded down to the second decimal place) is used for the conversion.

21. Segment Information

Segment information for the six-month periods ended January 31, 2026 and July 31, 2026 is omitted as the Company is comprised of a single reportable segment engaged in the real estate leasing business.

Related Information

(i) Information by product and service

For the six-month periods ended January 31, 2026 and July 31, 2026, disclosure is omitted since operating revenue from external customers of products and services within a single category were more than 90% of operating revenue on the statements of income.

(ii) Information by geographical area

Operating revenue

For the six-month periods ended January 31, 2026 and July 31, 2026, disclosure is omitted since operating revenue from external customers in Japan exceeded 90% of operating revenue on the statements of income.

Property and equipment

For the six-month periods ended January 31, 2026 and July 31, 2026, disclosure is omitted since the amount of property and equipment located in Japan exceeded 90% of property and equipment on the balance sheets.

(iii) Information by major customer

Name of customer	Operating revenue for the six-month period ended			Related segment
	January 31, 2026	July 31, 2026	July 31, 2026	
	(Thousands of yen)		(Thousands of U.S. dollars)	
AEON Mall Co., Ltd.	¥10,950,013	¥10,960,410	$68,195	Real estate leasing business
AEON Retail Co., Ltd.	¥ 6,776,102	¥ 6,781,783	$42,196	Real estate leasing business
AEON Hokkaido Corporation	¥ 1,020,083	¥ 1,020,172	$ 6,347	Real estate leasing business
AEON KYUSHU Co., Ltd.	¥ 762,332	¥ 765,255	$ 4,761	Real estate leasing business
The Daiei, Inc.	¥ 629,447	¥ 624,068	$ 3,882	Real estate leasing business
AEON TOHOKU Co., Ltd.	¥ 350,311	¥ 350,304	$ 2,179	Real estate leasing business
AEON Global SCM Co., Ltd.	¥ 289,620	¥ 289,620	$ 1,802	Real estate leasing business
KASUMI Co., Ltd.	¥ 173,765	¥ 173,766	$ 1,081	Real estate leasing business
AEON CO. (M) BHD. (Note 1)	¥ 30,507	¥ 33,664	$ 209	Real estate leasing business
AEON Food Supply Co., Ltd. (Note 2)	¥ —	¥ 23,506	$ 146	Real estate leasing business

Notes: 1. Amount of operating revenue is converted 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. "Operating revenue" does not include gain on sale of real estate properties.

22. Per Unit Information

Net assets per unit as of January 31, 2026 and July 31, 2026 and net income per unit for the six-month periods then ended are as follows

	As of / For the six-month period ended		
	January 31, 2026	July 31, 2026	July 31, 2026
	(Yen)		(U.S. dollars)
Net assets per unit	¥115,792	¥115,231	$716
Net income per unit	¥ 3,243	¥ 2,838	$ 17
Weighted average number of investment units for the period (Units)	2,102,569	2,102,569	

Net income per unit is calculated by dividing net income by the weighted average number of investment units outstanding during the period. Diluted net income per unit is not presented since there were no potentially dilutive investment units.

23. Subsequent Events

Not applicable.

AEON REIT Investment Corporation Supplemental Schedules

For the six-month periods ended July 31, 2026

1. Securities

(1) Securities

Currency	Issue name	Number of shares	Acquisition value		Fair value		Gain or loss on valuation	Remarks
			Unit price	Amount	Unit price	Amount		
Malaysian Ringgit	JAMBATAN MANSEIBASHI (M) Sdn. Bhd.	239,110,002	1	240,185,002	1	240,185,002	—	—
Malaysian Ringgit subtotal		239,110,002	—	6,078,453 (6,078,453)	—	240,185,002 (6,078,453)	—	—
Total		239,110,002	—	6,078,453 (6,078,453)	—	6,078,453 (6,078,453)	—	—

(Note 1) Figures in parentheses in the subtotal column for each currency type are Japanese yen equivalent amounts (Unit: Thousands of yen).
(Note 2) Figures in parentheses in the total amount column pertain to foreign currency-denominated securities and are presented as an internal breakdown.
(Note 3) Fair value of shares of said affiliate is based on acquisition cost since it has no market value.

(2) Investment securities other than stock

Not applicable.

Breakdown of foreign currency-denominated securities

Type	Number of issues	Fair value ratio	Ratio to total amount
Malaysian Ringgit	1 issue	100.0%	100.0%

2. Derivatives

The following table shows derivative transactions, to which hedge accounting is applied, as of July 31, 2026. The Company enters into derivative transactions only for hedging purposes.

Method of hedge accounting	Type	Hedged item	Contract amount (Note 1)			Contract amount (Note 1)		Fair value (Note 2)
			Total	Due after 1 year	Fair value (Note 2)	Total	Due after 1 year	
			(Thousands of yen)			(Thousands of U.S. dollars)		
Exceptional treatment for hedge accounting of interest rate swaps	Interest rate swaps (fixed rate payment, floating rate receipt)	Long-term loans payable	¥138,900,000	¥114,600,000	¥5,595,466	$864,235	$713,041	$34,814

Notes: 1. Contract amount, etc. of interest rate swap transactions is based on the notional principal.
2. Fair value is evaluated at the price calculated by the counterparty of the said transaction contract based on the prevailing market interest rate, etc.
3. For the said transaction, fair market valuation is not performed on the balance sheet as exceptional treatment for interest rate swaps is applied based on the "Accounting Standard for Financial Instruments" (ASBJ Statement No. 10).

3. Schedule of Property, Equipment and Intangible Assets

Type of Assets		Balance at Beginning of Period (Thousands of yen)	Increase during Period (Thousands of yen)	Decrease during Period (Thousands of yen)	Balance at End of Period (Thousands of yen)	Accumulated Depreciation or Accumulated Amortization (Thousands of yen)	Depreciation during Period (Thousands of yen)	Net Balance at End of Period (Thousands of yen)	Remarks
Property and equipment	Land	8,415,154	—	—	8,415,154	—	—	8,415,154	—
	Buildings in trust	276,615,908	3,097,713	142,722	279,570,898	105,747,427	5,072,145	173,823,471	(Note)
	Structures in trust	2,777,809	—	—	2,777,809	1,888,093	84,162	889,715	—
	Tools, furniture and fixtures in trust	99,732	—	—	99,732	67,373	8,515	32,359	—
	Land in trust	148,996,928	—	—	148,996,928	—	—	148,996,928	—
	Subtotal	436,905,532	3,097,713	142,722	439,860,523	107,702,894	5,164,824	332,157,628	—
Intangible assets	Leasehold interests in trust	74,349,307	—	—	74,349,307	748,939	72,326	73,600,367	—
	Subtotal	74,349,307	—	—	74,349,307	748,939	72,326	73,600,367	—
Total		511,254,840	3,097,713	142,722	514,209,830	108,451,834	5,237,151	405,757,996	—

Note: Of the changes for the six-month period ended July 31, 2026, the increase is mainly due to capital expenditures at existing properties amounting to ¥3,097,713 thousand, while the decrease is principally attributable to partial sale of Daiei-Ibaraki Process Center amounting to ¥90,272 thousand.

4. Other Specified Assets

(1) Interest swap transactions are stated in 2. Derivatives.

(2) Trust beneficiary rights in real estate are included in "3. Schedule of Property, Equipment and Intangible Assets."

(3) As of the end of the fiscal period for the six-month period ended July 31, 2026, AEON REIT has no other specified assets.

5. Investment Corporation Bonds (as of July 31, 2026)

Bond	Issue Date	Balance at Beginning of Period (Millions of yen)	Balance at End of Period (Millions of yen)	Interest Rate (%)	Maturity Date	Redemption Method	Use of Funds	Remarks
2nd unsecured investment corporation bonds	October 19, 2016	1,000	1,000	0.470	October 20, 2026	Bullet repayment (Note 1)	(Note 2)	Unsecured and unguaranteed (Note 5)
3rd unsecured investment corporation bonds	October 19, 2016	1,000	1,000	1.200	October 20, 2036	Bullet repayment (Note 1)	(Note 2)	Unsecured and unguaranteed (Note 5)
4th unsecured investment corporation bonds	December 8, 2017	2,000	2,000	0.680	December 8, 2027	Bullet repayment (Note 1)	(Note 2)	Unsecured and unguaranteed (Note 5)
5th unsecured investment corporation bonds	December 7, 2018	15,000	15,000	0.783	December 7, 2028	Bullet repayment (Note 1)	(Note 2)	Unsecured and unguaranteed (Note 6)
6th unsecured investment corporation bonds (green bonds)	December 6, 2019	12,000	12,000	0.726	December 6, 2029	Bullet repayment (Note 1)	(Note 3)	Unsecured and unguaranteed (Note 6)
7th unsecured investment corporation bonds (sustainability bonds)	December 4, 2020	18,000	18,000	0.992	December 4, 2030	Bullet repayment (Note 1)	(Note 4)	Unsecured and unguaranteed (Note 6)
Total investment corporation bonds	—	¥49,000	¥49,000	—	—	—	—	—

Notes: 1. AEON REIT is allowed to redeem the investment corporation bonds by purchase at any time on and after the day following the payment date, unless otherwise stipulated by the depository.

2. The funds are used for repayment of loans.

3. The funds are used for repayment of loans allocated for the acquisition of Green Qualified Assets.

4. The bonds are used to fund repayment of loans allocated for the acquisition of Sustainability Qualified Assets.
Furthermore, Sustainability Qualified Assets refer to properties that meet both the Sustainability eligibility criteria 1 (Green Projects) and Sustainability eligibility criteria 2 (Social Projects) below.
Sustainability eligibility criteria 1: Relevant properties that have obtained or are expected to obtain any predetermined certification
Sustainability eligibility criteria 2: Projects that meet two or more items from (i) through (v) below and are deemed to contribute to realizing fulfilled lives of people and to local communities as life infrastructure assets of the local communities
(i) Facilities that are sufficiently creating local employment
(ii) Facilities that can supply necessary resources and evacuation spaces at the time of disaster, based on the disaster prevention agreements concluded with local governments
(iii) Facilities that contribute to healthy and cultural lives of community people, with childcare facilities or medical facilities housed as tenants
(iv) Facilities that serve as basic infrastructure for the daily lives of community people, with such public tenants as post offices housed
(v) Facilities that offer barrier-free or gender-free facilities

5. The investment corporation bonds are equipped with pari passu clause among specified investment corporation bonds.

6. The investment corporation bonds are equipped with pari passu clause among investment corporation bonds.

7. Amounts of investment corporation bonds to be redeemed for each year during the five years after the balance sheet date are as follows.

	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
July 31, 2026	(Thousands of yen)				
Investment corporation bonds	¥1,000,000	¥2,000,000	¥15,000,000	¥12,000,000	¥18,000,000

	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
July 31, 2026	(Thousands of U.S. dollars)				
Investment corporation bonds	$6,222	$12,444	$93,330	$74,664	$111,996

6. Borrowings

Loans by lender as of July 31, 2026 are as follows.

Current Portion of Long-Term Loans Payable

Lender	Drawdown Date	Balance at Beginning of Period (Millions of yen)	Balance at End of Period (Millions of yen)	Average Interest Rate (Note 1) (%)	Repayment Date	Repayment Method	Use of Funds	Remarks
Mizuho Bank, Ltd.	October 20, 2016	¥1,000	¥1,000	1.00300 (Note 2)	October 20, 2026	Bullet repayment	(Note 4)	Unsecured and unguaranteed
Sumitomo Mitsui Banking Corporation		1,000	1,000					
Sumitomo Mitsui Trust Bank, Limited		800	800					
MUFG Bank, Ltd.		800	800					
San ju San Bank, Ltd.		300	300					
AEON BANK, LTD.		200	200					
Mizuho Bank, Ltd.	March 28, 2017	800	800	1.09710 (Note 2)	October 20, 2026	Bullet repayment	(Note 4)	Unsecured and unguaranteed
Sumitomo Mitsui Banking Corporation		800	800					
Sumitomo Mitsui Trust Bank, Limited		800	800					
Meiji Yasuda Life Insurance Company		800	800					
MUFG Bank, Ltd.		700	700					
AEON BANK, LTD.		500	500					
San ju San Bank, Ltd.		600	600					
Mizuho Bank, Ltd.	October 20, 2020	1,200	1,200	0.51400 (Note 2)	October 20, 2026	Bullet repayment	(Note 4)	Unsecured and unguaranteed
Sumitomo Mitsui Banking Corporation		900	900					
Sumitomo Mitsui Trust Bank, Limited		900	900					
MUFG Bank, Ltd.		900	900					
The Norinchukin Bank		300	300					
Development Bank of Japan Inc.		300	300					
San ju San Bank, Ltd.		300	300					

Lender	Drawdown Date	Balance at Beginning of Period (Millions of yen)	Balance at End of Period (Millions of yen)	Average Interest Rate (Note 1) (%)	Repayment Date	Repayment Method	Use of Funds	Remarks
MUFG Bank, Ltd.	October 20, 2021	2,000	2,000	0.46000 (Note 2)	October 20, 2026	Bullet repayment	(Note 4)	Unsecured and unguaranteed
Mizuho Bank, Ltd.		800	800					
Sumitomo Mitsui Banking Corporation		700	700					
Sumitomo Mitsui Trust Bank, Limited		500	500					
Mizuho Trust & Banking Co., Ltd.		500	500					
The Gunma Bank, Ltd.		500	500					
AEON BANK, LTD.		300	300					
The Hyakugo Bank, Ltd.		300	300					
The Hiroshima Bank, Ltd.		300	300					
Kansai Mirai Bank, Limited		300	300					
The Nishi-Nippon City Bank, Ltd.		300	300					
Mizuho Bank, Ltd.	October 20, 2023	700	700	0.69160 (Note 2)	October 20, 2026	Bullet repayment	(Note 4)	Unsecured and unguaranteed
Sumitomo Mitsui Banking Corporation		700	700					
MUFG Bank, Ltd.		700	700					
Sumitomo Mitsui Trust Bank, Limited		600	600					
Mizuho Trust & Banking Co., Ltd.		400	400					
Daiwa Next Bank, Ltd.		300	300					
The Kiyo Bank, Ltd.		300	300					
San ju San Bank, Ltd.		200	200					
Subtotal	—	¥24,300	¥24,300	—	—	—	—	—

Long-Term Loans Payable (Note 7)

Lender	Drawdown Date	Balance at Beginning of Period (Millions of yen)	Balance at End of Period (Millions of yen)	Average Interest Rate (Note 1) (%)	Repayment Date	Repayment Method	Use of Funds	Remarks
Mizuho Bank, Ltd.	February 29, 2016	¥ 600	¥ 600	1.40730 (Note 2)	October 20, 2027	Bullet repayment	(Note 3)	Unsecured and unguaranteed
Sumitomo Mitsui Trust Bank, Limited		400	400					

Lender	Drawdown Date	Balance at Beginning of Period (Millions of yen)	Balance at End of Period (Millions of yen)	Average Interest Rate (Note 1) (%)	Repayment Date	Repayment Method	Use of Funds	Remarks
Mizuho Bank, Ltd.	October 20, 2020	800	800	0.61400 (Note 2)	October 20, 2027	Bullet repayment	(Note 4)	Unsecured and unguaranteed
Sumitomo Mitsui Banking Corporation		800	800					
Sumitomo Mitsui Trust Bank, Limited		800	800					
MUFG Bank, Ltd.		800	800					
Development Bank of Japan Inc.		700	700					
The Norinchukin Bank		400	400					
Mizuho Trust & Banking Co., Ltd.		400	400					
San ju San Bank, Ltd.		300	300					
MUFG Bank, Ltd.	October 20, 2021	1,900	1,900	0.64900 (Note 2)	October 20, 2028	Bullet repayment	(Note 4)	Unsecured and unguaranteed
The Norinchukin Bank		1,200	1,200					
Mizuho Trust & Banking Co., Ltd.		700	700					
Development Bank of Japan Inc.		500	500					
The Yamaguchi Bank, Ltd.		500	500					
Mizuho Bank, Ltd.		300	300					
San ju San Bank, Ltd.		300	300					
The 77 Bank, Ltd.		300	300					
Kansai Mirai Bank, Limited		300	300					
Sumitomo Mitsui Banking Corporation		200	200					
Sumitomo Mitsui Trust Bank, Limited		200	200					
The Nishi-Nippon City Bank, Ltd.		200	200					
The Norinchukin Bank	October 20, 2021	1,400	1,400	0.76900 (Note 2)	October 22, 2029	Bullet repayment	(Note 4)	Unsecured and unguaranteed
Mizuho Trust & Banking Co., Ltd.		500	500					
Mizuho Bank, Ltd.		400	400					
Sumitomo Mitsui Banking Corporation		400	400					
Sumitomo Mitsui Trust Bank, Limited		400	400					
Development Bank of Japan Inc.		400	400					
Mizuho Bank, Ltd.	October 20, 2021	1,000	1,000	0.99700 (Note 2)	October 20, 2031	Bullet repayment	(Note 4)	Unsecured and unguaranteed
Sumitomo Mitsui Banking Corporation		800	800					
Sumitomo Mitsui Trust Bank, Limited		700	700					

Lender	Drawdown Date	Balance at Beginning of Period (Millions of yen)	Balance at End of Period (Millions of yen)	Average Interest Rate (Note 1) (%)	Repayment Date	Repayment Method	Use of Funds	Remarks
MUFG Bank, Ltd.	March 22, 2022	1,000	1,000	0.62050 (Note 2)	October 20, 2027	Bullet repayment	(Note 4)	Unsecured and unguaranteed
The Gunma Bank, Ltd.		1,000	1,000					
Sumitomo Mitsui Banking Corporation		700	700					
Sumitomo Mitsui Trust Bank, Limited		700	700					
San ju San Bank, Ltd.		700	700					
Daiwa Next Bank, Ltd.		700	700					
AEON BANK, LTD.		600	600					
The Hiroshima Bank, Ltd.		600	600					
Mizuho Bank, Ltd.		500	500					
The Norinchukin Bank		500	500					
Mizuho Trust & Banking Co., Ltd.		500	500					
Development Bank of Japan Inc.		300	300					
SBI Shinsei Bank, Limited		300	300					
The Yamaguchi Bank, Ltd.		300	300					
Kansai Mirai Bank, Limited		200	200					
The Norinchukin Bank	March 22, 2022	1,000	1,000	0.89600 (Note 6)	October 22, 2029	Bullet repayment	(Note 4)	Unsecured and unguaranteed
Sumitomo Mitsui Banking Corporation		700	700					
SBI Shinsei Bank, Limited		700	700					
The Yamaguchi Bank, Ltd.		600	600					
Mizuho Bank, Ltd.		500	500					
Sumitomo Mitsui Trust Bank, Limited		500	500					
Mizuho Trust & Banking Co., Ltd.		400	400					
Development Bank of Japan Inc.		400	400					
The 77 Bank, Ltd.		300	300					
Mizuho Bank, Ltd.	March 22, 2022	1,000	1,000	1.13010 (Note 2)	October 20, 2031	Bullet repayment	(Note 4)	Unsecured and unguaranteed
Sumitomo Mitsui Banking Corporation		1,000	1,000					
Sumitomo Mitsui Trust Bank, Limited		1,000	1,000					

Lender	Drawdown Date	Balance at Beginning of Period (Millions of yen)	Balance at End of Period (Millions of yen)	Average Interest Rate (Note 1) (%)	Repayment Date	Repayment Method	Use of Funds	Remarks
The Norinchukin Bank	October 20, 2022	800	800	0.80750 (Note 2)	October 20, 2027	Bullet repayment	(Note 4)	Unsecured and unguaranteed
Mizuho Bank, Ltd.		700	700					
Sumitomo Mitsui Banking Corporation		500	500					
Development Bank of Japan Inc.		500	500					
AEON BANK, LTD.		500	500					
The Hyakugo Bank, Ltd.		500	500					
MUFG Bank, Ltd.		400	400					
San ju San Bank, Ltd.		400	400					
The Hiroshima Bank, Ltd.		400	400					
Sumitomo Mitsui Trust Bank, Limited		300	300					
Mizuho Trust & Banking Co., Ltd.		300	300					
The Chiba Bank, Ltd.		200	200					
The Nishi-Nippon City Bank, Ltd.		200	200					
Mizuho Bank, Ltd.	October 20, 2022	900	900	1.10300 (Note 2)	October 22, 2029	Bullet repayment	(Note 4)	Unsecured and unguaranteed
Sumitomo Mitsui Banking Corporation		800	800					
MUFG Bank, Ltd.		700	700					
Sumitomo Mitsui Trust Bank, Limited		600	600					
Mizuho Trust & Banking Co., Ltd.		400	400					
SBI Shinsei Bank, Limited		300	300					
The Norinchukin Bank		200	200					
Resona Bank, Ltd.		200	200					
Daiwa Next Bank, Ltd.		200	200					
The Kiyo Bank, Ltd.		200	200					
AEON BANK, LTD.		100	100					
Mizuho Bank, Ltd.	October 20, 2023	900	900	0.88130 (Note 2)	October 20, 2027	Bullet repayment	(Note 4)	Unsecured and unguaranteed
Sumitomo Mitsui Banking Corporation		900	900					
MUFG Bank, Ltd.		900	900					
Sumitomo Mitsui Trust Bank, Limited		800	800					
Mizuho Trust & Banking Co., Ltd.		400	400					
The Hyakugo Bank, Ltd.		400	400					
Development Bank of Japan Inc.		200	200					

Lender	Drawdown Date	Balance at Beginning of Period (Millions of yen)	Balance at End of Period (Millions of yen)	Average Interest Rate (Note 1) (%)	Repayment Date	Repayment Method	Use of Funds	Remarks
Mizuho Bank, Ltd.	October 20, 2023	600	600	1.05400 (Note 2)	October 20, 2028	Bullet repayment	(Note 4)	Unsecured and unguaranteed
MUFG Bank, Ltd.		500	500					
AEON BANK, LTD.		500	500					
Sumitomo Mitsui Banking Corporation		400	400					
Sumitomo Mitsui Trust Bank, Limited		400	400					
The Norinchukin Bank		400	400					
San ju San Bank, Ltd.		400	400					
The Hiroshima Bank, Ltd.		400	400					
Resona Bank, Ltd.		400	400					
The Yamaguchi Bank, Ltd.		300	300					
The 77 Bank, Ltd.		200	200					
Mizuho Bank, Ltd.	October 20, 2023	500	500	1.25600 (Note 2)	October 22, 2029	Bullet repayment	(Note 4)	Unsecured and unguaranteed
MUFG Bank, Ltd.		500	500					
The Hyakugo Bank, Ltd.		500	500					
Sumitomo Mitsui Banking Corporation		400	400					
The Norinchukin Bank		400	400					
San ju San Bank, Ltd.		400	400					
Resona Bank, Ltd.		400	400					
Sumitomo Mitsui Trust Bank, Limited		300	300					
The Hiroshima Bank, Ltd.		300	300					
Mizuho Trust & Banking Co., Ltd.		200	200					
Development Bank of Japan Inc.		200	200					
AEON BANK, LTD.		200	200					
The 77 Bank, Ltd.		200	200					
Mizuho Bank, Ltd.	October 20, 2023	800	800	1.44200 (Note 2)	October 21, 2030	Bullet repayment	(Note 4)	Unsecured and unguaranteed
MUFG Bank, Ltd.		700	700					
Sumitomo Mitsui Banking Corporation		500	500					
Sumitomo Mitsui Trust Bank, Limited		400	400					
The Norinchukin Bank		400	400					
Mizuho Trust & Banking Co., Ltd.		200	200					

Lender	Drawdown Date	Balance at Beginning of Period (Millions of yen)	Balance at End of Period (Millions of yen)	Average Interest Rate (Note 1) (%)	Repayment Date	Repayment Method	Use of Funds	Remarks
Mizuho Bank, Ltd.	October 21, 2024	600	600	1.02790 (Note 2)	October 20, 2027	Bullet repayment	(Note 4)	Unsecured and unguaranteed
MUFG Bank, Ltd.		500	500					
Sumitomo Mitsui Banking Corporation		400	400					
Sumitomo Mitsui Trust Bank, Limited		400	400					
Mizuho Trust & Banking Co., Ltd.		400	400					
MUFG Bank, Ltd.	October 21, 2024	700	700	1.15870 (Note 2)	October 20, 2028	Bullet repayment	(Note 4)	Unsecured and unguaranteed
Mizuho Bank, Ltd.		600	600					
Sumitomo Mitsui Banking Corporation		600	600					
Sumitomo Mitsui Trust Bank, Limited		600	600					
Development Bank of Japan Inc.		400	400					
SBI Shinsei Bank, Limited		200	200					
Daiwa Next Bank, Ltd.		200	200					
Mizuho Bank, Ltd.	October 21, 2024	700	700	1.28100 (Note 2)	October 22, 2029	Bullet repayment	(Note 4)	Unsecured and unguaranteed
Sumitomo Mitsui Banking Corporation		500	500					
Sumitomo Mitsui Trust Bank, Limited		500	500					
MUFG Bank, Ltd.		500	500					
SBI Shinsei Bank, Limited		300	300					
Mizuho Bank, Ltd.	October 21, 2024	700	700	1.38600 (Note 2)	October 21, 2030	Bullet repayment	(Note 4)	Unsecured and unguaranteed
Sumitomo Mitsui Banking Corporation		500	500					
MUFG Bank, Ltd.		500	500					
Sumitomo Mitsui Trust Bank, Limited		400	400					
San ju San Bank, Ltd.		400	400					
AEON BANK, LTD.		300	300					
The Kiyo Bank, Ltd.		200	200					
Resona Bank, Ltd.		100	100					

Lender	Drawdown Date	Balance at Beginning of Period (Millions of yen)	Balance at End of Period (Millions of yen)	Average Interest Rate (Note 1) (%)	Repayment Date	Repayment Method	Use of Funds	Remarks
MUFG Bank, Ltd.	October 21, 2024	700	700	1.51900 (Note 2)	October 20, 2031	Bullet repayment	(Note 4)	Unsecured and unguaranteed
Mizuho Bank, Ltd.		500	500					
The Norinchukin Bank		500	500					
Development Bank of Japan Inc.		500	500					
Sumitomo Mitsui Banking Corporation		400	400					
Sumitomo Mitsui Trust Bank, Limited		300	300					
Mizuho Trust & Banking Co., Ltd.		300	300					
Daiwa Next Bank, Ltd.		200	200					
MUFG Bank, Ltd.	October 21, 2024	800	800	1.68000 (Note 2)	October 20, 2032	Bullet repayment	(Note 4)	Unsecured and unguaranteed
Mizuho Bank, Ltd.		700	700					
Sumitomo Mitsui Banking Corporation		500	500					
Sumitomo Mitsui Trust Bank, Limited		400	400					
Mizuho Trust & Banking Co., Ltd.		300	300					
SBI Shinsei Bank, Limited		200	200					
Sumitomo Mitsui Trust Bank, Limited	October 20, 2025	3,500	3,500	1.54500 (Note 2)	October 20, 2028	Bullet repayment	(Note 4)	Unsecured and unguaranteed
Mizuho Bank, Ltd.		400	400					
Sumitomo Mitsui Banking Corporation		300	300					
The Hyakugo Bank, Ltd.		200	200					
San ju San Bank, Ltd.		100	100					
MUFG Bank, Ltd.	October 20, 2025	700	700	1.71500 (Note 2)	October 22, 2029	Bullet repayment	(Note 4)	Unsecured and unguaranteed
Mizuho Bank, Ltd.		500	500					
Sumitomo Mitsui Banking Corporation		400	400					
Sumitomo Mitsui Trust Bank, Limited		400	400					

Lender	Drawdown Date	Balance at Beginning of Period (Millions of yen)	Balance at End of Period (Millions of yen)	Average Interest Rate (Note 1) (%)	Repayment Date	Repayment Method	Use of Funds	Remarks
MUFG Bank, Ltd.	October 20, 2025	1,000	1,000	1.85900 (Note 2)	October 21, 2030	Bullet repayment	(Note 4)	Unsecured and unguaranteed
Mizuho Bank, Ltd.		700	700					
Sumitomo Mitsui Banking Corporation		500	500					
Daiwa Next Bank, Ltd.		300	300					
Sumitomo Mitsui Trust Bank, Limited		200	200					
The Nishi-Nippon City Bank, Ltd.		200	200					
Resona Bank, Ltd.		100	100					
Development Bank of Japan Inc.		100	100					
The Chiba Bank, Ltd.		100	100					
SBI Shinsei Bank, Limited		100	100					
Mizuho Bank, Ltd.	October 20, 2025	1,400	1,400	1.99400 (Note 2)	October 20, 2031	Bullet repayment	(Note 4)	Unsecured and unguaranteed
MUFG Bank, Ltd.		1,000	1,000					
Sumitomo Mitsui Trust Bank, Limited		900	900					
Sumitomo Mitsui Banking Corporation		700	700					
Mizuho Trust & Banking Co., Ltd.		200	200					
Mizuho Bank, Ltd.	October 20, 2025	1,400	1,400	2.18090 (Note 2)	October 20, 2032	Bullet repayment	(Note 4)	Unsecured and unguaranteed
Sumitomo Mitsui Banking Corporation		1,100	1,100					
MUFG Bank, Ltd.		1,100	1,100					
Sumitomo Mitsui Trust Bank, Limited		900	900					
The Norinchukin Bank		500	500					
AEON BANK, LTD.		500	500					
SBI Shinsei Bank, Limited		200	200					
Mizuho Bank, Ltd.	October 20, 2025	400	400	2.32640 (Note 2)	October 20, 2033	Bullet repayment	(Note 4)	Unsecured and unguaranteed
MUFG Bank, Ltd.		400	400					
Sumitomo Mitsui Banking Corporation		300	300					
Sumitomo Mitsui Trust Bank, Limited		300	300					
Mizuho Trust & Banking Co., Ltd.		200	200					
AEON BANK, LTD.		200	200					
San ju San Bank, Ltd.		200	200					
Subtotal	—	¥101,300	¥101,300	—	—	—	—	—

Long-Term Loans Payable (Green J-REIT Trust) (Note 7)

Lender	Drawdown Date	Balance at Beginning of Period (Millions of yen)	Balance at End of Period (Millions of yen)	Average Interest Rate (Note 1) (%)	Repayment Date	Repayment Method	Use of Funds	Remarks
Mitsubishi UFJ Trust and Banking Corporation (Trust unit) (green J-REIT trust)	October 20, 2023	¥ 5,300	¥ 5,300	1.42200 (Note 2)	October 21, 2030	Bullet repayment	(Note 5)	Unsecured and unguaranteed
Mitsubishi UFJ Trust and Banking Corporation (Trust unit) (green J-REIT trust)	October 20, 2023	4,000	4,000	1.60000 (Note 2)	October 20, 2031	Bullet repayment	(Note 5)	Unsecured and unguaranteed
Mitsubishi UFJ Trust and Banking Corporation (Trust unit) (green J-REIT trust)	October 21, 2024	1,000	1,000	1.49900 (Note 2)	October 20, 2031	Bullet repayment	(Note 5)	Unsecured and unguaranteed
Mitsubishi UFJ Trust and Banking Corporation (Trust unit) (green J-REIT trust)	October 21, 2024	1,000	1,000	1.66000 (Note 2)	October 20, 2032	Bullet repayment	(Note 5)	Unsecured and unguaranteed
Mitsubishi UFJ Trust and Banking Corporation (Trust unit) (green J-REIT trust)	October 20, 2025	2,000	2,000	2.30640 (Note 2)	October 20, 2033	Bullet repayment	(Note 5)	Unsecured and unguaranteed
Subtotal	—	¥ 13,300	¥ 13,300	—	—	—	—	—
Total long-term loans	—	¥138,900	¥138,900	—	—	—	—	—
Total borrowings	—	¥138,900	¥138,900	—	—	—	—	—

Notes: 1. For loans covered by interest rate swaps conducted to hedge the interest rate fluctuation risk, the weighted average reflecting the swaps is indicated.

2. Although these loans have variable interest rates, the interest payables have been fixed through interest rate swaps. Accordingly, the weighted average reflecting the swaps is indicated.

3. The loans are used for acquiring trust beneficiary rights in real estate.

4. The loans are used to partially fund refinancing of loans.

5. The loans are used to fund repayment of loans allocated for the acquisition of Green Qualified Assets.
   Furthermore, Green Qualified Assets refer to properties that meet either the Qualification criteria 1 or Qualification criteria 2 below. The same shall apply hereafter.
   Qualification criteria 1: Relevant properties have obtained or are expected to obtain any specified certification
   Qualification criteria 2: Real estate under management has undergone facility renovations aimed at making improvements that are beneficial from an environmental perspective, such as energy efficiency and water consumption performance

6. Although these loans have variable interest rates, the interest payables have been fixed through a sustainability derivatives agreement. Accordingly, the weighted average reflecting the interest rate swaps is indicated.

7. The following table shows the scheduled annual repayments of long-term loans payable that will be due within five years (excluding repayments that will be due within one year) of the balance sheet date.

	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
July 31, 2026	(Thousands of yen)			
Long-term loans payable	¥27,100,000	¥18,900,000	¥22,200,000	¥14,700,000

	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
July 31, 2026	(Thousands of U.S. dollars)			
Long-term loans payable	$168,616	$117,595	$138,128	$91,463



Independent Auditor's Report

To the Board of Directors of AEON REIT Investment Corporation

THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of AEON REIT Investment Corporation (the Company), which comprise the balance sheets as at July 31, 2026, and the statements of income, statements of changes in net assets, statements of cash distributions and statements of cash flows for the six months period then ended, and notes to the financial statements and supplementary schedules.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at July 31, 2026, and its financial performance and its cash flows for the six months period then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to audits of financial statements of public interest entities in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The other information comprises the information included in the semi-annual report, but does not include the financial statements and our auditor's report thereon. Management is responsible for the other information. In addition, those charged with governance are responsible for overseeing the Company's reporting process of the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern and disclosing, as applicable, matters related to going concern.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the purpose of the financial statement audit is not to express an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures of the financial statements are in accordance with accounting principles generally accepted in Japan, the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide management with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

The original copy of the Independent Auditor's Report is in the Asset Manager, AEON Reit Management Co., Ltd.

Convenience translation

The U.S. dollar amounts in the accompanying financial statements with respect to the six months period ended July 31, 2026 are presented solely for convenience. Our audit also included the translation of Japanese yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made on the basis described in Additional Information to the financial statements.

FEE-RELATED INFORMATION

In connection with our audit of the financial statements for the six months period ended July 31, 2026, the amounts of fees for the audit and the other services charged to the Company and its controlled entity by PricewaterhouseCoopers Japan LLC and other PwC Network firms are disclosed in "Matters Concerning Officers" included in "Highly Transparent Management Structure" of the semi-annual report.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Hideo Ohta

Designated Engagement Partner
Certified Public Accountant

Takashi Sato

Designated Engagement Partner
Certified Public Accountant

November 18, 2026

The original copy of the Independent Auditor's Report is in the Asset Manager, AEON Reit Management Co., Ltd.



AEON REIT Investment Corporation

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https://www.aeon-jreit.co.jp/en/index.html