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September 13, 2024

## Financial Report for the Fiscal Period Ended July 31, 2024 (February 1, 2024 – July 31, 2024)

### AEON REIT Investment Corporation

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

Asset management company: AEON Reit Management Co., Ltd.  
 Representative: Nobuaki Seki, Representative Director and President  
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Scheduled date to file securities report: October 29, 2024

Scheduled date to commence distribution payments: October 21, 2024

Preparation of supplementary material on financial report: Yes

Holding of financial report presentation meeting: Yes (for institutional investors and analysts)

(Amounts rounded down to the nearest million yen)

### 1. Summary of financial results for the fiscal period ended July 31, 2024 (February 1, 2024 – July 31, 2024)

#### (1) Operating results

(Percentages show changes from the previous period)

Fiscal period ended	Operating revenue		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
July 31, 2024	21,161	0.5	7,670	(4.7)	6,670	(5.7)	6,598	(5.6)
January 31, 2024	21,054	0.2	8,048	1.0	7,073	0.4	6,990	(0.8)

Fiscal period ended	Net income per unit	Return on equity (ROE)	Ordinary income to total assets	Ordinary income to operating revenue
	Yen	%	%	%
July 31, 2024	3,106	2.7	1.5	31.5
January 31, 2024	3,291	2.8	1.6	33.6

#### (2) Distributions

Fiscal period ended	Distribution per unit (excluding distributions in excess of retained earnings)	Total cash distributions (excluding distributions in excess of retained earnings)	Distribution in excess of retained earnings per unit	Total cash distributions in excess of retained earnings	Distribution per unit (including distributions in excess of retained earnings)	Total cash distributions (including distributions in excess of retained earnings)	Payout ratio	Cash distributions to net assets
	Yen	Millions of yen	Yen	Millions of yen	Yen	Millions of yen	%	%
July 31, 2024	3,224	6,847	116	246	3,340	7,093	103.8	2.8
January 31, 2024	3,350	7,115	0	0	3,350	7,115	101.8	2.9

(Note 1) Distribution per unit (excluding distributions in excess of retained earnings) for the fiscal period ended July 31, 2024, is calculated by dividing the amount, which is obtained by adding the amount of reversal of distribution reserve of ¥249 million to unappropriated retained earnings of ¥6,598 million, by the total number of investment units issued and outstanding.

(Note 2) Distribution per unit (excluding distributions in excess of retained earnings) for the fiscal period ended January 31, 2024, is calculated by dividing the amount, which is obtained by adding the amount of reversal of distribution reserve of ¥125 million to unappropriated retained earnings of ¥6,990 million, by the total number of investment units issued and outstanding.

(Note 3) There was no distribution in excess of retained earnings for the fiscal period ended January 31, 2024. Of the ¥116 of distribution in excess of retained earnings per unit for the fiscal period ended July 31, 2024, allowance for temporary difference adjustments was ¥43 and other distribution in excess of retained earnings was ¥73. Ratio of net asset value attributable to a capital reduction is 0.001.

### (3) Financial position

	Total assets	Net assets	Equity ratio	Net assets per unit
As of	Millions of yen	Millions of yen	%	Yen
July 31, 2024	458,583	246,751	53.8	116,175
January 31, 2024	454,258	247,267	54.4	116,418

(Reference) Equity As of January 31, 2024: ¥247,267 million As of July 31, 2024: ¥246,751 million

### (4) Cash flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
Fiscal period ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
July 31, 2024	10,944	(1,515)	(7,113)	40,626
January 31, 2024	14,700	(2,335)	(7,114)	38,311

## 2. Forecasts of performance for the fiscal periods ending January 31, 2025 (August 1, 2024 – January 31, 2025) and July 31, 2025 (February 1, 2025 – July 31, 2025)

(Percentages show changes from the previous period)

Fiscal period ending	Operating revenue		Operating income		Ordinary income		Net income		Distributions per unit (excluding distributions in excess of retained earnings)	Distributions in excess of retained earnings per unit	Distributions per unit (including distributions in excess of retained earnings)
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	Yen	Yen
January 31, 2025	21,175	0.1	7,777	1.4	6,722	0.8	6,721	1.9	3,164	186	3,350
July 31, 2025	21,197	0.1	7,751	(0.3)	6,678	(0.7)	6,677	(0.7)	3,143	207	3,350

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

For the fiscal period ending January 31, 2025: ¥3,164

For the fiscal period ending July 31, 2025: ¥3,143

### \*Other

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

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

#### (2) Total number of investment units issued and outstanding

- Total number of investment units issued and outstanding at end of period (including treasury investment units)
  - As of July 31, 2024 2,123,952 units
  - As of January 31, 2024 2,123,952 units
- Number of treasury investment units at end of period
  - As of July 31, 2024 0 units
  - As of January 31, 2024 0 units

(Note) Please refer to “Per Unit Information” on page 35 for the number of investment units used as the basis for calculating net income per unit.

### \* Status of audit procedures

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

### \* Special notes

Forward-looking statements presented in this financial report, including forecasts of performance, are based on information currently available to AEON REIT and on certain assumptions AEON REIT deems to be reasonable. As such, actual operating and other results may differ materially from these forecasts as a consequence of numerous factors. Furthermore, these forecasts shall not be construed as a guarantee of the distribution amount. Please refer to “Assumptions for Forecasts of Performance for the Fiscal Periods Ending January 2025 (August 1, 2024 – January 31, 2025) and July 2025 (February 1, 2025 – July 31, 2025)” on page 8 for information on assumptions for the forecasts of operating results.

# 1 Status of Asset Management

## (1) Status of Asset Management

### i) Summary of results for the current fiscal period

#### (A) Overview of AEON REIT

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

AEON REIT was established on November 30, 2012, in accordance with the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951, as amended; hereinafter, the “Investment Trusts Act”), with AEON Reit Management Co., Ltd. (hereinafter, the “Asset Manager”) serving as the organizer. AEON REIT was listed on the Real Estate Investment Trust Securities Market (J-REIT market) of the Tokyo Stock Exchange (securities code: 3292) on November 22, 2013.

The real estate held by AEON REIT as of July 31, 2024, totaled 49 properties in Japan and overseas, including AEON MALL SEREMBAN 2 it owns through an overseas real estate holding corporation established in Malaysia (hereinafter, the “Overseas SPC”), with a total acquisition price of ¥473,896 million. Total leasable area is 4,262,794.59 m<sup>2</sup> and the occupancy rate of the entire portfolio is 100.0% as of the same date.

#### (B) Operating environment and performance

##### (a) Operating environment

In the fiscal period under review (the 23rd fiscal period), the Japanese economy saw real GDP growth rate (first preliminary estimates) for April through June 2024 increase by 0.8% quarter on quarter, achieving growth for the first time in two quarters. The normalization of the automobile production system, which had been halted due to the certification fraud issue, has progressed, boosting consumer spending, capital investment, and exports. Consumer spending, which is the pillar of domestic demand, increased for the first time in five quarters, up 1.0% from the previous quarter due to such factors as a recovery in automobile sales and an improved income environment. In Malaysia, the real GDP for the second quarter of 2024 rose 5.9% year on year. The Malaysian economy grew driven by increased consumer spending, favorable labor market conditions, and a recovery in exports and investment.

In the real estate investment market, market participants remained highly willing to acquire properties due to the favorable financing environment, the difference in interest rates with overseas markets, and the weakening of the yen, although investors are cautious about the timing of future policy rate hikes and the pace of interest rate hikes by the Bank of Japan (BOJ). 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.

In the J-REIT market, the Tokyo Stock Exchange (TSE) REIT Index stood at 1,722.58 points based on closing price at the end of the 23rd fiscal period, due in part to uncertainty over interest rate trends, such as the BOJ’s lifting of negative interest rates in March 2024, followed by an increase in the policy rate to 0.25% at its Monetary Policy Meeting in July, which raised awareness of the possibility of additional policy rate increases in the future.

##### (b) Performance

AEON REIT acquired AEON MALL Ota (Expansion Building) (acquisition price: ¥5,564 million) in April 2024 with its own funds by succeeding the status of the orderer under the construction contract, expanding its portfolio size to ¥473.8 billion. In addition, AEON REIT renewed the master lease agreement at AEON Taman Universiti Shopping Centre, a property owned overseas, when the lease contract expired. In terms of internal growth, at AEON MALL Suzuka, in addition to renewing the food court and building a new children’s playground, AEON REIT renovated the building’s skylights and common corridors to achieve an increase in rent. At “AEON LakeTown mori” and “AEON Mall Narita,” rent increases were achieved through construction to enhance the image and functionality of the properties. As such, in coordination with the tenants (master lessees), AEON REIT is promoting investments aimed at reinforcing competitiveness as well as maintaining and enhancing the functions of its properties.

### (C) Financing

As of July 31, 2024, AEON REIT had a balance of interest-bearing debt totaling ¥188,400 million, with the LTV ratio (the ratio of the balance of interest-bearing debt plus tenant leasehold and security deposits and tenant leasehold and security deposits in trust to total assets held by AEON REIT) standing at 44.3%.

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, 2024. 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 97.8% as of the same date. Together with the abovementioned LTV, these figures indicate that AEON REIT has maintained a sound and conservative financial structure. AEON REIT works to diversify the repayment dates and extend maturities of interest-bearing debt with an aim to further reinforce its financial base.

Furthermore, as of July 31, 2024, AEON REIT had the following credit rating.

<Credit rating>

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

### (D) Initiatives on Sustainability

AEON REIT is making endeavors for Environment, Social, and Governance (ESG) awareness. It works to reduce environmental burden and coordinate and cooperate with its stakeholders in pursuit of realizing a sustainable society as its corporate social responsibility. 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 received an “A” rating in the MSCI ESG rating in May 2024, and obtained “Five Star” in the GRESB (Global Real Estate Sustainability Benchmark) Real Estate Assessment, which grants rating in five stages based on global ranking of total scores, in October 2023, marking the fourth consecutive year with the rating. AEON REIT also received GRESB’s “Green Star” rating for the eighth consecutive year, evaluated as an excellent participant under 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 third consecutive year for the GRESB Public Disclosure, which assess the breadth of ESG disclosure.

As for assessment for properties, AEON REIT re-obtained certification for 3 properties in total (DBJ Green Building Certification for 2 properties and CASBEE Certification for Real Estate for 1 property) in the 23rd fiscal period.

As of the end of the 23rd fiscal period (July 31, 2024), AEON REIT has obtained third-party certifications for 86.8% 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 2024 Health & Productivity Management Outstanding Organizations Recognition Program (for SMEs) in March 2024, marking the fifth consecutive year with the certification. Both AEON REIT and the Asset Manager will continue to pursue initiatives on ESG issues in a proactive manner.

### (E) Results and cash distribution

As a result of the above operations, AEON REIT posted operating revenue of ¥21,161 million, operating income of ¥7,670 million, ordinary income of ¥6,670 million, and net income of ¥6,598 million for the 23rd fiscal period ended July 31, 2024. Furthermore, AEON REIT posted a total of ¥373 million of construction cost pertaining to the damage caused by the 2024 Noto Peninsula Earthquake (including planned amount) as extraordinary loss and a total of ¥302 million in insurance income for such damage as extraordinary income.

As for cash distribution for the 23rd fiscal period, distribution per unit came to ¥3,224, which is obtained by adding ¥249 million in reversal of distribution reserve to ¥6,598 million in unappropriated retained earnings and which is the amount that does not exceed this calculated amount and is the greatest value among integral multiples of 2,123,952, which is the total number of investment units issued and outstanding.

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, Regulation on Accounting of Investment Corporation”)) on cash distribution, AEON REIT plans to make distributions in excess of retained earnings equal to the allowance for temporary difference adjustment (as defined in Article 2, Paragraph 2, Item 30 of the Regulation on Accountings of Investment Corporations). 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 (Note 1).

Based on these policies, AEON REIT will distribute ¥91 million (¥43 per unit) as an allowance for temporary difference adjustment, and ¥155 million (¥73 per unit) for the damage caused by the 2024 Noto Peninsula 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. As a result, distributions in excess of retained earnings per unit will be ¥116 and distributions per unit will be ¥3,340.

(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 distribution 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 distribution 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 distribution in excess of earnings. At AEON REIT, cash distribution in excess of retained earnings (return of capital to unitholders) is 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 distribution in excess of retained earnings (return of capital to unitholders) is 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 distribution in excess of retained earnings (return of capital to unitholders) is made, 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 ¥5,316 million recorded for the 23rd fiscal period, less the amount of capital expenditures of ¥1,785 million for the 23rd fiscal period, is ¥3,531 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 23rd fiscal period is ¥40,626 million, and the amount of capital expenditures and repairs and maintenance expenses expected for the 24th fiscal period (fiscal period ending January 31, 2025) and the 25th fiscal period (fiscal period ending July 31, 2025) is ¥6,339 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).

## ii) Outlook for the next fiscal period

### (A) Outlook for overall performance

Looking ahead, the Japanese and Malaysian economies are expected to continue their gradual recovery due to such factors as rising wages, increased tourism demand from overseas, and fiscal policy. Attention must be paid, however, to changes in market participants' behavior due to such factors as global financial and economic trends and changes in the BOJ's monetary policy management stance. In addition, it is necessary to keep a close eye on changes in the political, economic, and geopolitical landscape, including the U.S. presidential election this fall, the political operations of various countries, and the situation in the Middle East.

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

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

**(B) Future investment policy**

**(a) Basic policy**

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

**(b) Investment policy and growth strategy**

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

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

**(c) Financial strategy**

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

**iii) Significant events after balance sheet date**

**(A) Determination of matters relating to the acquisition of own investment units**

At its board of directors' meetings held on September 13, 2024, AEON REIT decided on matters pertaining to the acquisition of own investment units as follows, pursuant to Article 80-2 of the Investment Trusts Act as applied by replacing the phrases pursuant to Article 80-5, Paragraph 2 of the same Act. All units acquired are scheduled to be cancelled during the fiscal period ending January 2025.

**(a) Reason for acquisition of own investment units**

After comprehensively taking into account the level of its investment unit price, cash on hand, financial condition, market environment, and other factors, AEON REIT has determined that allocating part of cash on hand to the acquisition of own investment units will contribute to an increase in unitholder value over the medium to long term under the current situation.

(b) Details of matters relating to the acquisition

Total number of investment units that can be acquired	24,000 units (maximum)
Total acquisition amount of investment units	3,000 million yen (maximum)
Acquisition period	September 17, 2024 to December 30, 2024
Acquisition method	Market purchase at the Tokyo Stock Exchange pursuant to a discretionary transaction agreement with a securities company pertaining to the acquisition of own investment units

**Assumptions for Forecasts of Performance for the Fiscal Periods Ending  
January 2025 (August 1, 2024 – January 31, 2025) and July 2025 (February 1, 2025 – July 31, 2025)**

Item	Assumptions
Accounting period	<ul style="list-style-type: none"> <li>● Fiscal period ending January 31, 2025 (184 days from August 1, 2024, to January 31, 2025, the 24th fiscal period)</li> <li>● Fiscal period ending July 31, 2025 (181 days from February 1, 2025, to July 31, 2025, the 25th fiscal period)</li> </ul>
Portfolio	<ul style="list-style-type: none"> <li>● The number of investment assets is assumed to be 49 (including AEON MALL SEREMBAN 2 that AEON REIT owns through the Overseas SPC) AEON REIT owns as of September 13, 2024 (hereinafter, the “assets currently held”).</li> <li>● For the forecasts of performance, it is assumed that, through the end of the 25th fiscal period ending July 2025, there will be no change (acquisition of new properties or sale of the assets currently held, etc.) in the number of investment assets.</li> <li>● The actual figure may vary due to acquisition of new properties or disposal of owned properties, etc. not assumed above.</li> </ul>
Operating revenue	<ul style="list-style-type: none"> <li>● Rent revenue – real estate from the assets currently held has been calculated by taking into account such factors as the relevant lease agreements effective as of September 13, 2024, and market trends. Dividends from the Overseas SPC have been calculated based on the assumption that dividends will be received during the fiscal periods ending January 31, 2025 (24th fiscal period), and ending July 31, 2025 (25th fiscal period), respectively. Furthermore, the exchange rate of Malaysia is assumed to be Malaysian Ringgit 1 = JPY 31.50. It is assumed that there is no delinquencies or non-payment of rents by tenants.</li> </ul>
Operating expenses	<ul style="list-style-type: none"> <li>● Operating expenses mainly comprise expenses related to rent business. Those expenses, excluding depreciation expenses, are calculated on the basis of historical data and by reflecting variable factors of expenses for the assets currently held.</li> <li>● Generally, fixed asset taxes, city planning taxes and depreciable asset taxes for the acquired properties are prorated based on the period of ownership with the previous owners and settled. The amount equivalent to such settlement is included in the acquisition costs and therefore not recognized as expenses for the fiscal period in which the acquisition takes place. As for fixed asset taxes, city planning taxes and depreciable asset taxes for the assets currently held, AEON REIT assumes to record ¥2,344 million for the 24th fiscal period and ¥2,358 million for the 25th fiscal period as expenses.</li> <li>● For repairs and maintenance expenses for buildings, amounts assumed to be required in each fiscal period is recorded as expenses, based on the medium- to long-term repair and maintenance plan formulated by the asset management company (AEON Reit Management Co., Ltd.). AEON REIT assumes to record ¥1,231 million for the 24th fiscal period and ¥1,346 million for the 25th fiscal period as expenses. However, actual repairs and maintenance expenses in each fiscal period may differ substantially from the forecasts, as (i) there is no denying the possibility of repairs and maintenance expenses being incurred urgently due to damages to buildings caused by unforeseeable factors, (ii) generally, incurred expenses differ substantially from one fiscal period to another, and (iii) expenses are not incurred on a regular basis, among other reasons.</li> <li>● Capital expenditures are assumed to be ¥1,769 million for the 24th fiscal period and ¥1,991 million for the 25th fiscal period.</li> <li>● Depreciation of property and equipment is computed by the straight-line method, including related expenses and the above planned amount of capital expenditures, and is assumed to be ¥5,367 million for the 24th fiscal period and ¥5,270 million for the 25th fiscal period.</li> </ul>
Non-operating expenses	<ul style="list-style-type: none"> <li>● Interest expenses and other borrowing-related expenses are assumed to be ¥1,049 million for the 24th fiscal period and ¥1,067 million for the 25th fiscal period.</li> </ul>
Borrowings	<ul style="list-style-type: none"> <li>● As of September 13, 2024, AEON REIT has interest-bearing debt totaling ¥188,400 million.</li> <li>● It is assumed that AEON REIT will refinance ¥19,500 million in borrowings that will mature in the 24th fiscal period (repayment date: October 21, 2024) for the same amount.</li> <li>● LTV ratio is anticipated to be approximately 45% as of the end of the 24th fiscal period (January 31, 2025) and approximately 45% as of the end of the 25th fiscal period (July 31, 2025).</li> <li>● LTV is calculated by using the following formula: LTV = Total interest-bearing debt plus tenant leasehold and security deposits (including tenant leasehold and security deposits in trust) / Total assets × 100</li> </ul>

Item	Assumptions
Investment units	<ul style="list-style-type: none"> <li>● Distribution per unit for the 24th and 25th fiscal periods is calculated based on the assumption that the total number of investment units issued and outstanding will be 2,123,952 units as of September 13, 2024. Furthermore, it is assumed that there will be no issuance of new investment units through the end of the 25th fiscal period, without any change in the number of investment units.</li> <li>● The acquisition and cancellation of own investment units described in “1. Status of Asset Management (1) Status of Asset Management iii) Significant events after balance sheet date” are not taken into consideration.</li> </ul>
Distribution per unit (excluding distribution in excess of retained earnings)	<ul style="list-style-type: none"> <li>● Distribution per unit (excluding distribution in excess of retained earnings) has been calculated based on the cash distribution policy prescribed in the Articles of Incorporation of AEON REIT.</li> <li>● Fluctuations in rent revenue due to changes in the portfolio and tenants, unforeseeable repairs and maintenance incurred and other various factors may lead to changes in the amount of distribution per unit (excluding distribution in excess of retained earnings).</li> </ul>
Distribution in excess of retained earnings per unit (allowance for temporary difference adjustments)	<ul style="list-style-type: none"> <li>● Cash distribution in excess of retained earnings (inconsistency between profits for accounting purposes and tax purposes) for the 24th fiscal period and the 25th fiscal period is estimated as follows.</li> <li>● Expenses of amortization of fixed-term leasehold rights and asset retirement obligations of the assets currently held is assumed to be ¥80 million for the 24th fiscal period and ¥80 million for the 25th fiscal period.</li> <li>● It is assumed that distribution in excess of retained earnings (allowance for temporary difference adjustments) of ¥37 per unit will be made in the 24th fiscal period and distribution in excess of retained earnings (allowance for temporary difference adjustments) of ¥37 per unit in the 25th fiscal period.</li> </ul>
Distribution in excess of retained earnings per unit (distribution with decrease of investment capital under tax laws)	<ul style="list-style-type: none"> <li>● Cash distribution in excess of retained earnings (return of capital to unitholders) has been calculated in accordance with the cash distribution policy prescribed in the Articles of Incorporation of AEON REIT and operational guidelines and the implementation policy on cash distribution in excess of retained earnings, which are internal rules of the Asset Manager.</li> <li>● In order to enable stable payment of distributions, AEON REIT adopts a policy of continuously making cash distribution in excess of retained earnings (return of capital to unitholders) every fiscal period, in addition to cash distribution based on earnings. While AEON REIT has recorded a certain amount of distribution reserve, it had not implemented cash distribution in excess of retained earnings (return of capital to unitholders) since it is stipulated under the applicable accounting principles that when the relevant distribution reserve is recorded, cash distribution in excess of retained earnings (return of capital to unitholders) cannot be made until all such reserve is reversed. However, the entire amount of such reserve was reversed in the 23rd fiscal period.</li> <li>● Therefore, AEON REIT plans to continuously make cash distribution in excess of retained earnings (return of capital to unitholders) every fiscal period in an amount deemed appropriate by AEON REIT to maintain the stability of the distribution level 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, up to 60% of the depreciation for the relevant fiscal period, after 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.</li> <li>● However, regardless of the abovementioned policy, if the implementation of cash distribution in excess of retained earnings (return of capital to unitholders) 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 may not implement cash distribution in excess of retained earnings (return of capital to unitholders). At AEON REIT, cash distribution in excess of retained earnings (return of capital to unitholders) is 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 distribution in excess of retained earnings (return of capital to unitholders) is 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 distribution in excess</li> </ul>

Item	Assumptions
	<p>of retained earnings (return of capital to unitholders) is made, 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.</p> <ul style="list-style-type: none"> <li>● It is assumed that distribution in excess of retained earnings (distribution with decrease of investment capital under tax laws) of ¥149 per unit will be made in the 24th fiscal period and distribution in excess of retained earnings (distribution with decrease of investment capital under tax laws) of ¥170 per unit in the 25th fiscal period.</li> </ul>
Others	<ul style="list-style-type: none"> <li>● It is assumed that no revisions that may impact the abovementioned projections will be made to laws and regulations, tax systems, accounting standards, securities listing regulations and the rules of The Investment Trusts Association, Japan, or others.</li> <li>● It is assumed that no unforeseeable significant changes will occur in general economic trends or conditions in the real estate market, etc.</li> </ul>

## 2. Financial Statements

### (1) Balance Sheets

(Unit: Thousands of yen)

	Previous fiscal period (As of January 31, 2024)	Current fiscal period (As of July 31, 2024)
<b>Assets</b>		
Current assets		
Cash and deposits	28,558,720	31,350,131
Cash and deposits in trust	9,752,689	9,275,987
Prepaid expenses	856,621	517,209
Income taxes receivable	23	27
Consumption taxes receivable	—	32,016
Other	7,380	310,871
<b>Total current assets</b>	<b>39,175,435</b>	<b>41,486,244</b>
Non-current assets		
Property and equipment		
Land	108,463	108,463
Buildings in trust	264,424,721	271,528,884
Accumulated depreciation	(80,693,384)	(85,851,189)
<b>Buildings in trust, net</b>	<b>183,731,337</b>	<b>185,677,695</b>
Structures in trust	2,201,889	2,533,938
Accumulated depreciation	(1,481,473)	(1,558,387)
<b>Structures in trust, net</b>	<b>720,416</b>	<b>975,551</b>
Tools, furniture and fixtures in trust	41,408	100,279
Accumulated depreciation	(25,920)	(32,421)
<b>Tools, furniture and fixtures in trust, net</b>	<b>15,488</b>	<b>67,858</b>
Land in trust	148,996,928	148,996,928
<b>Total property and equipment</b>	<b>333,572,634</b>	<b>335,826,497</b>
Intangible assets		
Leasehold interests in trust	74,397,089	74,324,762
<b>Total intangible assets</b>	<b>74,397,089</b>	<b>74,324,762</b>
Investments and other assets		
Shares of subsidiaries and associates	6,078,453	6,078,453
Long-term prepaid expenses	775,451	643,391
Lease and guarantee deposits	10,000	10,000
<b>Total investments and other assets</b>	<b>6,863,905</b>	<b>6,731,845</b>
<b>Total non-current assets</b>	<b>414,833,628</b>	<b>416,883,105</b>
Deferred assets		
Investment unit issuance expenses	32,983	17,557
Investment corporation bond issuance costs	216,302	196,840
<b>Total deferred assets</b>	<b>249,285</b>	<b>214,398</b>
<b>Total assets</b>	<b>454,258,350</b>	<b>458,583,748</b>

(Unit: Thousands of yen)

	Previous fiscal period (As of January 31, 2024)	Current fiscal period (As of July 31, 2024)
<b>Liabilities</b>		
Current liabilities		
Operating accounts payable	1,458,354	7,483,086
Current portion of long-term loans payable	19,500,000	19,500,000
Accounts payable - other	489,036	450,705
Accrued expenses	107,493	105,554
Income taxes payable	605	605
Accrued consumption taxes	1,375,221	—
Provision for loss on disaster	84,919	104,592
Other	194,022	194,878
Total current liabilities	23,209,651	27,839,422
Non-current liabilities		
Investment corporation bond	51,000,000	51,000,000
Long-term loans payable	117,900,000	117,900,000
Tenant leasehold and security deposits	2,628	2,628
Tenant leasehold and security deposits in trust	14,320,296	14,530,022
Asset retirement obligations	558,113	560,401
Total non-current liabilities	183,781,038	183,993,051
Total liabilities	206,990,690	211,832,473
<b>Net assets</b>		
Unitholders' equity		
Unitholders' capital	243,428,896	243,428,896
Deduction from unitholders' capital		
Other deduction from unitholders' capital	(3,525,697)	(3,525,697)
Total deduction from unitholders' capital	(3,525,697)	(3,525,697)
Unitholders' capital, net	239,903,198	239,903,198
Surplus		
Voluntary reserve		
Distribution reserve	374,431	249,222
Total voluntary reserve	374,431	249,222
Unappropriated retained earnings (undisposed loss)	6,990,029	6,598,853
Total surplus	7,364,461	6,848,075
Total unitholders' equity	247,267,660	246,751,274
Total net assets	*1 247,267,660	*1 246,751,274
Total liabilities and net assets	454,258,350	458,583,748

## (2) Statements of Income

	(Unit: Thousands of yen)			
	Previous fiscal period (From August 1, 2023, to January 31, 2024)		Current fiscal period (From February 1, 2024, to July 31, 2024)	
<b>Operating revenue</b>				
Rent revenue - real estate	*1	20,887,803	*1	20,978,086
Dividends received	*2	166,959	*2	183,327
<b>Total operating revenue</b>		<b>21,054,762</b>		<b>21,161,414</b>
<b>Operating expenses</b>				
Expenses related to rent business	*1	11,798,293	*1	12,340,803
Asset management fee		971,454		933,245
Asset custody fee		23,035		23,033
Administrative service fees		68,436		66,206
Directors' compensation		4,500		3,600
Taxes and dues		8,194		5,553
Other operating expenses		132,320		118,588
<b>Total operating expenses</b>		<b>13,006,233</b>		<b>13,491,031</b>
<b>Operating income</b>		<b>8,048,528</b>		<b>7,670,382</b>
<b>Non-operating income</b>				
Interest income		155		178
Refund of unpaid distributions		1,710		1,206
Interest on tax refund		2,166		—
Foreign exchange gains		—		231
<b>Total non-operating income</b>		<b>4,031</b>		<b>1,615</b>
<b>Non-operating expenses</b>				
Interest expenses		566,009		594,148
Interest expenses on investment corporation bonds		216,531		214,089
Amortization of investment unit issuance expenses		15,425		15,425
Amortization of investment corporation bond issuance costs		19,461		19,461
Borrowing related expenses		161,330		158,676
Foreign exchange loss		87		—
<b>Total non-operating expenses</b>		<b>978,846</b>		<b>1,001,801</b>
<b>Ordinary income</b>		<b>7,073,713</b>		<b>6,670,196</b>
<b>Extraordinary income</b>				
Insurance income	*3	12,208	*3	302,261
<b>Total extraordinary income</b>		<b>12,208</b>		<b>302,261</b>
<b>Extraordinary losses</b>				
Loss on disaster	*4	10,368	*4	268,408
Provision for loss on disaster	*4	84,919	*4	104,592
<b>Total extraordinary losses</b>		<b>95,288</b>		<b>373,000</b>
<b>Income (loss) before income taxes</b>		<b>6,990,634</b>		<b>6,599,458</b>
Income taxes - current		605		605
<b>Total income taxes</b>		<b>605</b>		<b>605</b>
<b>Net income (loss)</b>		<b>6,990,029</b>		<b>6,598,853</b>
Retained earnings brought forward		—		—
<b>Unappropriated retained earnings (undisposed loss)</b>		<b>6,990,029</b>		<b>6,598,853</b>

### (3) Statements of Unitholders' Equity

Previous fiscal period (From August 1, 2023, to January 31, 2024)

(Unit: Thousands of yen)

	Unitholders' equity					
	Unitholders' capital	Deduction from unitholders' capital		Unitholders' capital, net	Surplus	
		Other deduction from unitholders' capital	Total deduction from unitholders' capital		Voluntary reserve	
					Distribution reserve	Total voluntary reserve
Balance at beginning of current period	243,428,896	(3,525,697)	(3,525,697)	239,903,198	440,101	440,101
Changes of items during period						
Reversal of distribution reserve					(65,669)	(65,669)
Dividends of surplus						
Net income						
Total changes of items during period	—	—	—	—	(65,669)	(65,669)
Balance at end of current period	*1 243,428,896	(3,525,697)	(3,525,697)	239,903,198	374,431	374,431

	Unitholders' equity			Total net assets
	Surplus		Total unitholders' equity	
	Unappropriated retained earnings (undisposed loss)	Total surplus		
Balance at beginning of current period	7,049,570	7,489,671	247,392,870	247,392,870
Changes of items during period				
Reversal of distribution reserve	65,669			
Dividends of surplus	(7,115,239)	(7,115,239)	(7,115,239)	(7,115,239)
Net income	6,990,029	6,990,029	6,990,029	6,990,029
Total changes of items during period	(59,540)	(125,209)	(125,209)	(125,209)
Balance at end of current period	6,990,029	7,364,461	247,267,660	247,267,660

Current fiscal period (From February 1, 2024, to July 31, 2024)

(Unit: Thousands of yen)

	Unitholders' equity					
	Unitholders' capital	Deduction from unitholders' capital		Unitholders' capital, net	Surplus	
		Other deduction from unitholders' capital	Total deduction from unitholders' capital		Voluntary reserve	
					Distribution reserve	Total voluntary reserve
Balance at beginning of current period	243,428,896	(3,525,697)	(3,525,697)	239,903,198	374,431	374,431
Changes of items during period						
Reversal of distribution reserve					(125,209)	(125,209)
Dividends of surplus						
Net income						
Total changes of items during period	—	—	—	—	(125,209)	(125,209)
Balance at end of current period	*1 243,428,896	(3,525,697)	(3,525,697)	239,903,198	249,222	249,222

	Unitholders' equity			Total net assets
	Surplus		Total unitholders' equity	
	Unappropriated retained earnings (undisposed loss)	Total surplus		
Balance at beginning of current period	6,990,029	7,364,461	247,267,660	247,267,660
Changes of items during period				
Reversal of distribution reserve	125,209			
Dividends of surplus	(7,115,239)	(7,115,239)	(7,115,239)	(7,115,239)
Net income	6,598,853	6,598,853	6,598,853	6,598,853
Total changes of items during period	(391,175)	(516,385)	(516,385)	(516,385)
Balance at end of current period	6,598,853	6,848,075	246,751,274	246,751,274

**(4) Statements of Cash Distributions**

(Unit: Yen)

	Previous fiscal period (From August 1, 2023, to January 31, 2024)	Current fiscal period (From February 1, 2024, to July 31, 2024)
I Unappropriated retained earnings (undisposed loss)	6,990,029,271	6,598,853,350
II Reversal of voluntary reserve		
Reversal of distribution reserve	125,209,929	249,222,033
III Additional amount of distribution in excess of retained earnings	—	246,378,432
Allowance for temporary difference adjustments	—	91,329,936
Other deduction from unitholders' capital	—	155,048,496
IV Total cash distributions	7,115,239,200	7,093,999,680
[Distribution per unit]	[3,350]	[3,340]
Distribution of profit	7,115,239,200	6,847,621,248
[distribution of profit per unit]	[3,350]	[3,224]
Allowance for temporary difference adjustments	—	91,329,936
[distribution in excess of retained earnings per unit (related to allowance for temporary difference adjustments)]	[-]	[43]
Other distribution in excess of retained earnings	—	155,048,496
[distribution in excess of retained earnings per unit (related to other distribution in excess of retained earnings)]	[-]	[73]
V Retained earnings brought forward	—	454,135

<p>Calculation method for distributions</p>	<p>Pursuant to the policy for cash distribution set forth in Article 35, paragraph 1 of the Articles of Incorporation of AEON REIT, distributions shall be limited to the amount within profits, and also the amount of earnings in excess of an amount equivalent to ninety hundredths (90/100) of distributable profits, as stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation. In consideration of this policy, AEON REIT will pay distributions of profits at the total amount of ¥7,115,239,200, which is obtained by adding ¥125,209,929 in reversal of distribution reserve to ¥6,990,029,271 in unappropriated retained earnings and which is the amount that does not exceed this calculated amount and is the greatest value among integral multiples of 2,123,952, which is the total number of investment units issued and outstanding. Furthermore, AEON REIT shall distribute cash in excess of earnings for each fiscal period as a rule pursuant to the policy for cash distribution in excess of earnings as stipulated in Article 35-2 of its Articles of Incorporation. For the 21st fiscal period, however, with ¥374,431,962 in distribution reserve it has provided for securing stable distributions, AEON REIT will not distribute cash in excess of earnings in accordance with Article 136 in the Act on Investment Trusts and Investment Corporations.</p>	<p>Pursuant to the policy for cash distribution set forth in Article 35, paragraph 1 of the Articles of Incorporation of AEON REIT, distributions shall be limited to the amount within profits, and also the amount of earnings in excess of an amount equivalent to ninety hundredths (90/100) of distributable profits, as stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation. In consideration of this policy, AEON REIT will pay distributions of profits at the total amount of ¥6,847,621,248, which is obtained by adding ¥249,222,033 in reversal of distribution reserve to ¥6,598,853,350 in unappropriated retained earnings and which is the amount that does not exceed this calculated amount and is the greatest value among integral multiples of 2,123,952, which is the total number of investment units issued and outstanding. 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 ¥91,329,936 as an allowance for temporary difference adjustment, and ¥155,048,496 for the damage caused by the 2024 Noto Peninsula 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.</p>
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## (5) Statements of Cash Flows

	(Unit: Thousands of yen)	
	Previous fiscal period (From August 1, 2023, to January 31, 2024)	Current fiscal period (From February 1, 2024, to July 31, 2024)
<b>Cash flows from operating activities</b>		
Income before income taxes	6,990,634	6,599,458
Depreciation	5,386,639	5,316,896
Amortization of investment corporation bond issuance costs	19,461	19,461
Amortization of investment unit issuance expenses	15,425	15,425
Interest income	(155)	(178)
Interest expenses	782,541	808,238
Insurance income	(12,208)	(302,261)
Loss on disaster	10,368	268,408
Increase in provision for loss on disaster	84,919	19,673
Loss on retirement of non-current assets	—	7,456
Decrease (increase) in consumption taxes receivable	728,225	(32,016)
Increase (decrease) in accrued consumption taxes	1,375,221	(1,375,221)
(Increase) decrease in prepaid expenses	(355,264)	339,412
Increase in operating accounts payable	580,399	252,241
(Decrease) in accounts payable - other	(10,160)	(38,331)
(Increase) decrease in long-term prepaid expenses	(118,806)	132,059
Other, net	(2,585)	(1,489)
<b>Subtotal</b>	<b>15,474,655</b>	<b>12,029,233</b>
Interest income received	155	178
Interest expenses paid	(783,981)	(810,177)
Proceeds from insurance income	12,208	—
Payments for loss on disaster	(2,159)	(274,605)
Income taxes paid	(605)	(608)
<b>Net cash provided by operating activities</b>	<b>14,700,272</b>	<b>10,944,020</b>
<b>Cash flows from investing activities</b>		
Purchase of property and equipment in trust	(2,335,105)	(1,724,912)
Proceeds from tenant leasehold and security deposits	—	209,725
<b>Net cash used in investing activities</b>	<b>(2,335,105)</b>	<b>(1,515,187)</b>
<b>Cash flows from financing activities</b>		
Repayments of short-term loans payable	(9,300,000)	—
Proceeds from long-term loans payable	29,700,000	—
Repayments of long-term loans payable	(20,400,000)	—
Dividends paid	(7,114,806)	(7,113,885)
<b>Net cash used in financing activities</b>	<b>(7,114,806)</b>	<b>(7,113,885)</b>
Effect of exchange rate change on cash and cash equivalents	82	(237)
<b>Net increase in cash and cash equivalents</b>	<b>5,250,442</b>	<b>2,314,709</b>
Cash and cash equivalents at beginning of period	33,060,967	38,311,409
<b>Cash and cash equivalents at end of period</b>	<b>*1 38,311,409</b>	<b>*1 40,626,119</b>

**(6) Notes on Assumption of Going Concern**

Not applicable.

**(7) Notes on Significant Accounting Policies**

1. Valuation standard and method for securities	Securities Shares of subsidiaries and associates Shares issued by an overseas real estate holding corporation, as set forth in Article 221-2-1 of the Ordinance for Enforcement of the Act on Investment Trusts and Investment Corporations, are stated utilizing the moving-average cost method.
2. Method of depreciation of non-current assets	(1) Property and equipment Depreciation of property and equipment is computed by the straight-line method over the following useful lives: Buildings in trust 3 to 51 years Structures in trust 3 to 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.
3. Accounting method for deferred assets	(1) Investment unit issuance expenses Investment unit issuance expenses are capitalized and amortized by the straight-line method over three years. (2) Investment corporation bond issuance costs Investment corporation bond issuance costs are capitalized and amortized by the straight-line method over the respective terms of the investment corporation bonds.
4. Standards for recognition of allowances	Provision for loss on disaster Of the expenses for restoration work for the properties that were damaged by Typhoon Lan, the amount that was reasonably estimated as of the end of the fiscal period ended January 31, 2024, was recorded as allowance for loss on disaster. Of the expenses for restoration work for the properties that were damaged by the 2024 Noto Peninsula Earthquake, the amount that was reasonably estimated as of the end of the fiscal period ended July 31, 2024, was recorded as allowance for loss on disaster.
5. Conversion of assets and liabilities in foreign currency into Japanese yen	Receivables and payables denominated in foreign currencies are translated into yen at the exchange rate in effect at the balance sheet date, and differences arising from the translation are included in the statements of income.

<p>6. Recognition of revenue and expenses</p>	<p>(1) Standards for revenue recognition</p> <p>The details of main performance obligations concerning revenue generated from contracts between AEON REIT and its customers and the ordinary time to fulfil said performance obligations (ordinary time to recognize revenue) are as follows.</p> <p>Utilities income</p> <p>AEON REIT recognizes utilities income in accordance with the supply of water, etc. to the lessee who is a customer based on the lease agreement of real estate and details of agreements incidental to it. Of the utilities income, in the case that AEON REIT deems itself to be an agent, the net amount obtained by deducting the amount it pays to other parties from the amount it receives as charges for water, etc. supplied by the said other parties is recognized as revenue.</p> <p>(2) Property-related taxes</p> <p>For fixed asset tax, city planning tax, depreciable asset tax, etc., for real properties held, the amount of tax levied corresponding to the calculation period is recorded as expenses related to rent business.</p> <p>The amount equivalent to property-related taxes to be paid by AEON REIT in the first year for acquisition of real properties or trust beneficiary rights in real estate is not recorded as expenses but included in the acquisition costs for the related properties.</p> <p>In the previous and current fiscal periods, there was no amount equivalent to property-related taxes included in the acquisition costs for the related real properties.</p>
<p>7. Method of hedge accounting</p>	<p>(1) Method of hedge accounting</p> <p>Special treatment is applied for interest rate swaps.</p> <p>(2) Hedging instruments and hedged items</p> <p>Hedging instruments: Interest rate swap transactions Hedged items: Interest on borrowings</p> <p>(3) Hedging policy</p> <p>AEON REIT conducts derivative transactions for the purpose of hedging risks provided for in the Articles of Incorporation of AEON REIT pursuant to the regulations that stipulate the basic policy of risk management.</p> <p>(4) Method of assessing hedge effectiveness</p> <p>The assessment of hedge effectiveness is omitted since the interest rate swaps satisfy the requirements for special treatment.</p>
<p>8. Scope of cash and cash equivalents in the statement of cash flows</p>	<p>Cash and cash equivalents in the statement of cash flows consist of cash on hand, cash in trust, demand deposits, deposits in trust, and highly liquid short-term investments that are readily convertible, bear little risk in price fluctuations, and mature within three months of the date of acquisition.</p>

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

Previous fiscal period (From August 1, 2023, to January 31, 2024)

### Impairment Losses of Non-Current Assets

#### 1. Balance of subject assets

	(Unit: Thousands of yen)
Impairment losses	Not applicable
Property and equipment	333,572,634
Intangible assets	74,397,089

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

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

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

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

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

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

Current fiscal period (From February 1, 2024, to July 31, 2024)

#### Impairment Losses of Non-Current Assets

##### 1. Balance of subject assets

	(Unit: Thousands of yen)
Impairment losses	Not applicable
Property and equipment	335,826,497
Intangible assets	74,324,762

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

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

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

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

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

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

#### (Additional Information)

##### Notes to Provision and Reversal of Allowance for Temporary Difference Adjustments

Previous fiscal period (From August 1, 2023, to January 31, 2024)

Not applicable.

Current fiscal period (From February 1, 2024, to July 31, 2024)

##### 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 ¥91,329 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

For the allowance for temporary difference adjustments of the amortization expenses of leasehold rights related to fixed-term leasehold rights for business purposes, the amount to be treated is scheduled to be reversed at the time of inclusion of deductible expenses upon the return and sale of leasehold rights, removal of the building associated with them, and sale of the building.

## (9) Notes to Financial Statements

### Notes to Balance Sheets

(Unit: Thousands of yen)

Previous fiscal period (As of January 31, 2024)		Current fiscal period (As of July 31, 2024)	
*1. Minimum net assets as provided in Article 67, paragraph 4 of the Act on Investment Trusts and Investment Corporations	50,000	*1. Minimum net assets as provided in Article 67, paragraph 4 of the Act on Investment Trusts and Investment Corporations	50,000

## Notes to Statements of Income

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

Previous fiscal period (From August 1, 2023, to January 31, 2024)		(Unit: Thousands of yen)
<b>A. Revenues related to real estate leasing business</b>		
Rent revenue - real estate		
Rent		20,768,752
Other rent revenue - real estate		119,051
Total revenues related to real estate leasing business		20,887,803
<b>B. Expenses related to real estate leasing business</b>		
Expenses related to rent business		
Property and facility management fees		51,143
Repairs and maintenance expenses		963,173
Insurance expenses		321,898
Trust fees		32,294
Land rent paid		2,741,088
Taxes and dues		2,248,968
Depreciation		5,386,639
Water charges		45,568
Other expenses related to rent business		7,519
Total expenses related to real estate leasing business		11,798,293
C. Operating income from real estate leasing business (A – B)		9,089,510
<b>Current fiscal period (From February 1, 2024, to July 31, 2024)</b>		
		(Unit: Thousands of yen)
<b>A. Revenues related to real estate leasing business</b>		
Rent revenue - real estate		
Rent		20,912,813
Other rent revenue - real estate		65,273
Total revenues related to real estate leasing business		20,978,086
<b>B. Expenses related to real estate leasing business</b>		
Expenses related to rent business		
Property and facility management fees		50,518
Repairs and maintenance expenses		1,474,448
Insurance expenses		329,974
Trust fees		25,312
Land rent paid		2,741,126
Taxes and dues		2,344,385
Depreciation		5,316,896
Water charges		41,185
Other expenses related to rent business		16,954
Total expenses related to real estate leasing business		12,340,803
C. Operating income from real estate leasing business (A – B)		8,637,283

\*2. Breakdown of dividends received

Previous fiscal period (From August 1, 2023, to January 31, 2024)

The entire amount of the maximum distributable amount (RM 5,327,664 (¥166,959 thousand) based on the results of the fiscal period ended July 2023 of JAMBATAN MANSEIBASHI (M) Sdn. Bhd. was paid to AEON REIT as dividends (Note 3), which were calculated on the following basis.

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

		(Unit: RM (Thousands of yen)	
Revenues related to real estate leasing business		8,133,401	(247,092)
Expenses related to real estate leasing business		638,621	(19,401)
Other expenses		356,787	(10,839)
Unrealized gain from valuation of investment properties		—	(—)
Net income before income taxes		7,137,993	(216,852)
Net income before income taxes after deducting unrealized gain		7,137,993	(216,852)
Corporate income taxes on net income before income taxes after deducting unrealized gain		1,810,329	(54,997)
Maximum distributable amount (Note 3)		5,327,664	(166,959)
Dividends (Note 3)		5,327,664	(166,959)

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

(Note 2) For the exchange rate, the period-average exchange rate (RM 1 = JPY 30.38 (rounded down to the second decimal place)) is used.

(Note 3) Maximum distributable amount and dividends are converted to the yen value by using the forward exchange rate on December 1, 2023, of RM 1 = JPY 31.33 (rounded down to the second decimal place).

Current fiscal period (From February 1, 2024, to July 31, 2024)

The entire amount of the maximum distributable amount (RM 5,571,320 (¥183,327 thousand) based on the results of the fiscal period ended January 2024 of JAMBATAN MANSEIBASHI (M) Sdn. Bhd. was paid to AEON REIT as dividends (Note 3), which were calculated on the following basis.

Items of statements of income of JAMBATAN MANSEIBASHI (M) Sdn. Bhd. and the basis of calculating dividends (from August 1, 2023, to January 31, 2024)

		(Unit: RM (Thousands of yen)	
Revenues related to real estate leasing business		8,139,918	(256,081)
Expenses related to real estate leasing business		646,452	(20,337)
Other expenses		108,455	(3,411)
Unrealized gain from valuation of investment properties		—	(—)
Net income before income taxes		7,385,011	(232,332)
Net income before income taxes after deducting unrealized gain		7,385,011	(232,332)
Corporate income taxes on net income before income taxes after deducting unrealized gain		1,813,691	(57,058)
Maximum distributable amount (Note 3)		5,571,320	(183,327)
Dividends (Note 3)		5,571,320	(183,327)

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

(Note 2) For the exchange rate, the period-average exchange rate (RM 1 = JPY 31.46 (rounded down to the second decimal place)) is used.

(Note 3) Maximum distributable amount and dividends are converted to the yen value by using the forward exchange rate on June 4, 2024, of RM 1 = JPY 32.90 (rounded down to the second decimal place).

\*3. Breakdown of extraordinary income

Previous fiscal period (From August 1, 2023, to January 31, 2024)

AEON REIT recorded ¥12,208 thousand in insurance income for the assets damaged by Typhoon Lan.

Current fiscal period (From February 1, 2024, to July 31, 2024)

AEON REIT recorded ¥302,261 thousand in insurance income for the assets damaged by the 2024 Noto Peninsula Earthquake.

\*4. Breakdown of extraordinary losses

Previous fiscal period (From August 1, 2023, to January 31, 2024)

1) Loss on disaster

Losses related to the assets damaged by Typhoon Lan (expenses for restoration work) were recognized as loss on disaster (¥10,368 thousand).

2) Provision for loss on disaster

With regard to the assets damaged by Typhoon Lan, expenses for restoration work that were reasonably estimated as of the end of the fiscal period ended January 31, 2024 (¥84,919 thousand), were recorded as provision of allowance for loss on disaster.

Current fiscal period (From February 1, 2024, to July 31, 2024)

1) Loss on disaster

Losses related to the assets damaged by the 2024 Noto Peninsula Earthquake (expenses for restoration work) were recognized as loss on disaster (¥268,408 thousand).

2) Provision for loss on disaster

With regard to the assets damaged by the 2024 Noto Peninsula Earthquake, expenses for restoration work that were reasonably estimated as of the end of the fiscal period ended July 31, 2024 (¥104,592 thousand), were recorded as provision of allowance for loss on disaster.

### Notes to Statements of Unitholders' Equity

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

	Previous fiscal period (From August 1, 2023, to January 31, 2024)	Current fiscal period (From February 1, 2024, to July 31, 2024)
Total number of authorized investment units	10,000,000 units	10,000,000 units
Total number of investment units issued and outstanding	2,123,952 units	2,123,952 units

### Notes to Statements of Cash Flows

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

	Previous fiscal period (From August 1, 2023, to January 31, 2024)	Current fiscal period (From February 1, 2024, to July 31, 2024)
Cash and deposits	28,558,720	31,350,131
Cash and deposits in trust	9,752,689	9,275,987
Cash and cash equivalents	38,311,409	40,626,119

## Financial Instruments

### 1. Matters regarding financial instruments

#### (1) Policy for financial instruments

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Previous fiscal period (as of January 31, 2024)

(Unit: Thousands of yen)

	Balance sheet carrying amount	Fair value	Difference
(1) Current portion of long-term loans payable	19,500,000	19,610,607	110,607
(2) Investment corporation bonds	51,000,000	49,497,800	(1,502,200)
(3) Long-term loans payable	117,900,000	117,612,704	(287,295)
Total liabilities	188,400,000	186,721,112	(1,678,887)
(4) Derivative transactions	—	—	—

Current fiscal period (as of July 31, 2024)

(Unit: Thousands of yen)

	Balance sheet carrying amount	Fair value	Difference
(1) Current portion of long-term loans payable	19,500,000	19,512,353	12,353
(2) Investment corporation bonds	51,000,000	48,888,800	(2,111,200)
(3) Long-term loans payable	117,900,000	117,063,891	(836,108)
Total liabilities	188,400,000	185,465,045	(2,934,954)
(4) Derivative transactions	—	—	—

(Note 1) Measurement of fair values of financial instruments

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

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

### (2) Investment corporation bonds

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

### (4) Derivative transactions

Please refer to “Derivative Transactions” described later.

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

(Unit: Thousands of yen)

	Previous fiscal period (as of January 31, 2024)	Current fiscal period (as of July 31, 2024)
Shares of subsidiaries and associates	6,078,453	6,078,453

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

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

Previous fiscal period (as of January 31, 2024)

(Unit: Thousands of yen)

	Due in 1 year or less	Due after 1 year through 2 years	Due after 2 years through 3 years	Due after 3 years through 4 years	Due after 4 years through 5 years	Due after 5 years
Current portion of long-term loans payable	19,500,000	–	–	–	–	–
Investment corporation bonds	–	2,000,000	1,000,000	2,000,000	15,000,000	31,000,000
Long-term loans payable	–	22,200,000	24,300,000	24,800,000	11,100,000	35,500,000
Total	19,500,000	24,200,000	25,300,000	26,800,000	26,100,000	66,500,000

Current fiscal period (as of July 31, 2024)

(Unit: Thousands of yen)

	Due in 1 year or less	Due after 1 year through 2 years	Due after 2 years through 3 years	Due after 3 years through 4 years	Due after 4 years through 5 years	Due after 5 years
Current portion of long-term loans payable	19,500,000	–	–	–	–	–
Investment corporation bonds	–	2,000,000	1,000,000	2,000,000	15,000,000	31,000,000
Long-term loans payable	–	22,200,000	24,300,000	24,800,000	11,100,000	35,500,000
Total	19,500,000	24,200,000	25,300,000	26,800,000	26,100,000	66,500,000

## Derivative Transactions

### 1. Derivative transactions not applying hedge accounting

Previous fiscal period (as of January 31, 2024)

Not applicable.

Current fiscal period (as of July 31, 2024)

Not applicable.

### 2. Derivative transactions applying hedge accounting

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

Previous fiscal period (as of January 31, 2024)

(Unit: Thousands of yen)

Method of hedge accounting	Type of derivative transaction	Major hedged item	Contract amount		Fair value	Measurement method for fair value
				Portion due after 1 year		
Exceptional treatment for hedge accounting of interest rate swaps	Interest rate swap transaction Payment: fixed interest rate Receipt: floating interest rate	Long-term loans payable	133,200,000	117,900,000	(Note)	–

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

Current fiscal period (as of July 31, 2024)

(Unit: Thousands of yen)

Method of hedge accounting	Type of derivative transaction	Major hedged item	Contract amount		Fair value	Measurement method for fair value
				Portion due after 1 year		
Exceptional treatment for hedge accounting of interest rate swaps	Interest rate swap transaction Payment: fixed interest rate Receipt: floating interest rate	Long-term loans payable	133,200,000	117,900,000	(Note)	–

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

## Tax Effect Accounting

### 1. Significant components of deferred tax assets and liabilities

	(Unit: Thousands of yen)	
	Previous fiscal period (as of January 31, 2024)	Current fiscal period (as of July 31, 2024)
Deferred tax assets		
Asset retirement obligations	175,582	176,302
Amortization of leasehold interests	121,846	144,600
Tax loss carried forward (Note)	137,363	137,363
Subtotal of deferred tax assets	434,792	458,266
Valuation reserve	(279,027)	(304,384)
Total deferred tax assets	155,764	153,881
Deferred tax liabilities		
Property and equipment corresponding to the asset retirement obligations	(155,764)	(153,881)
Total deferred tax liabilities	(155,764)	(153,881)
Net deferred tax assets	-	-

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

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

	(Unit: %)	
	Previous fiscal period (as of January 31, 2024)	Current fiscal period (as of July 31, 2024)
Normal effective statutory tax rate	31.46	31.46
(Adjustments)		
Distributions paid included in deductibles	(32.02)	(31.90)
Reversal of distribution reserve	0.56	1.19
Other	0.01	(0.74)
Effective tax rate after application of tax effect accounting	0.01	0.01

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

Previous fiscal period (as of January 31, 2024)

	(Unit: Thousands of yen)						
	1 year or less	1 year through 2 years	2 years through 3 years	3 years through 4 years	4 years through 5 years	5 years or more	Total
Tax loss carried forward (Note)	-	137,363	-	-	-	-	137,363
Valuation reserve	-	(137,363)	-	-	-	-	(137,363)
Total deferred tax assets	-	-	-	-	-	-	-

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

Current fiscal period (as of July 31, 2023)

(Unit: Thousands of yen)

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

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

## Asset Retirement Obligations

Asset retirement obligations recorded on the balance sheets

### 1. Overview of the asset retirement obligations

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

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

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

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

(Unit: Thousands of yen)

	Previous fiscal period (From August 1, 2023, to January 31, 2024)	Current fiscal period (From February 1, 2024, to July 31, 2024)
Balance at beginning of current period	555,835	558,113
Increase due to purchase of property and equipment	–	–
Adjustment due to passage of time	2,278	2,287
Balance at end of current period	558,113	560,401

## Investment and Rental Properties

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

(Unit: Thousands of yen)

	Previous fiscal period (From August 1, 2023, to January 31, 2024)	Current fiscal period (From February 1, 2024, to July 31, 2024)
Balance sheet carrying amount		
Balance at beginning of period	411,158,376	407,969,723
Changes during period	(3,188,652)	2,181,536
Balance at end of period	407,969,723	410,151,259
Fair value at end of period	492,576,888	498,384,220

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

(Note 2) Of the changes during the previous fiscal period, the increase is mainly due to capital expenditures at existing properties amounting to ¥2,195,707 thousand, while the decrease is principally attributable to depreciation amounting to ¥5,384,360 thousand. Of the changes during the current fiscal period, the increase is mainly due to acquisition of a property (AEON MALL Ota (expansion building)) with an acquisition price of ¥5,718,584 thousand and capital expenditures at existing properties amounting to ¥1,785,016 thousand, while the decrease is principally attributable to depreciation amounting to ¥5,314,608 thousand.

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

## Revenue Recognition

Previous fiscal period (From August 1, 2023, to January 31, 2024)

### 1. Breakdown information on revenue from contracts with customers

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

Note that “\*1. Breakdown of revenues and expenses related to real estate leasing business” includes revenue in accordance with the Accounting Standard for Lease Transactions (ASBJ Statement No.13). Furthermore, revenue from contracts with customers mainly represents utilities income (¥45,568 thousand) that is included in Other rent revenue - real estate.

### 2. Basic information for understanding revenue from contracts with customers

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

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

Not applicable.

Current fiscal period (From February 1, 2024, to July 31, 2024)

### 1. Breakdown information on revenue from contracts with customers

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

Note that “\*1. Breakdown of revenues and expenses related to real estate leasing business” includes revenue in accordance with the Accounting Standard for Lease Transactions (ASBJ Statement No.13). Furthermore, revenue from contracts with customers mainly represents utilities income (¥41,185 thousand) that is included in Other rent revenue - real estate.

### 2. Basic information for understanding revenue from contracts with customers

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

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

Not applicable.

## Segment Information, Etc.

### 1. Segment information

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

### 2. Related information

Previous fiscal period (From August 1, 2023, to January 31, 2024)

#### (1) Information about products and services

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

#### (2) Information about geographical area

##### i) Operating revenue

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

##### ii) Property and equipment

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

#### (3) Information about major customers

(Unit: Thousands of yen)

Name	Operating revenue	Related segment
AEON Mall Co., Ltd.	10,704,257	Real estate leasing business
AEON Retail Co., Ltd.	6,757,622	Real estate leasing business
AEON Hokkaido Corporation	1,021,901	Real estate leasing business
AEON KYUSHU Co., Ltd.	764,466	Real estate leasing business
The Daiei, Inc.	634,082	Real estate leasing business
AEON TOHOKU Co., Ltd.	511,832	Real estate leasing business
AEON Global SCM Co., Ltd.	289,620	Real estate leasing business
AEON CO. (M) BHD. (Note)	26,219	Real estate leasing business

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

Current fiscal period (From February 1, 2024, to July 31, 2024)

#### (1) Information about products and services

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

#### (2) Information about geographical area

##### i) Operating revenue

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

##### ii) Property and equipment

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

(3) Information about major customers

(Unit: Thousands of yen)

Name	Operating revenue	Related segment
AEON Mall Co., Ltd.	10,830,194	Real estate leasing business
AEON Retail Co., Ltd.	6,776,090	Real estate leasing business
AEON Hokkaido Corporation	1,021,357	Real estate leasing business
AEON KYUSHU Co., Ltd.	764,133	Real estate leasing business
The Daiei, Inc.	629,717	Real estate leasing business
AEON TOHOKU Co., Ltd.	511,595	Real estate leasing business
AEON Global SCM Co., Ltd.	289,620	Real estate leasing business
AEON CO. (M) BHD. (Note)	26,989	Real estate leasing business

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

**Per Unit Information**

	Previous fiscal period (From August 1, 2023, to January 31, 2024)	Current fiscal period (From February 1, 2024, to July 31, 2024)
Net assets per unit	¥116,418	¥116,175
Net income per unit	¥3,291	¥3,106

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

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

	Previous fiscal period (From August 1, 2023, to January 31, 2024)	Current fiscal period (From February 1, 2024, to July 31, 2024)
Net income (Thousands of yen)	6,990,029	6,598,853
Amount not attributable to common unitholders (Thousands of yen)	—	—
Net income attributable to common investment units (Thousands of yen)	6,990,029	6,598,853
Average number of investment units for the period (Units)	2,123,952	2,123,952

**Significant Subsequent Events**

(a) Determination of matters relating to the acquisition of own investment units

At its board of directors' meetings held on September 13, 2024, AEON REIT decided on matters pertaining to the acquisition of own investment units as follows, pursuant to Article 80-2 of the Investment Trusts Act as applied by replacing the phrases pursuant to Article 80-5, Paragraph 2 of the same Act. All units acquired are scheduled to be cancelled during the fiscal period ending January 2025.

a. Reason for acquisition of own investment units

After comprehensively taking into account the level of its investment unit price, cash on hand, financial condition, market environment, and other factors, AEON REIT has determined that allocating part of cash on hand to the acquisition of own investment units will contribute to an increase in unitholder value over the medium to long term under the current situation.

b. Details of matters relating to the acquisition

Total number of investment units that can be acquired	24,000 units (maximum)
Total acquisition amount of investment units	3,000 million yen (maximum)
Acquisition period	September 17, 2024 to December 30, 2024
Acquisition method	Market purchase at the Tokyo Stock Exchange pursuant to a discretionary transaction agreement with a securities company pertaining to the acquisition of own investment units

**Omission of Disclosure**

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

## (10) Changes in Total Number of Investment Units Issued

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

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

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

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

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

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

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

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

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

### 3. Reference Information

#### (1) Status of Investment

##### i) Composition of assets

Type of assets	Property type	Region (Note 1)	Previous fiscal period (As of January 31, 2024)					Current fiscal period (As of July 31, 2024)				
			Total amount held (Millions of yen) (Note 2)	Percentage to total assets (%)	Holding assets denominated in foreign currency (Millions of yen)			Total amount held (Millions of yen) (Note 2)	Percentage to total assets (%)	Holding assets denominated in foreign currency (Millions of yen)		
					Unrealized gain (loss) on valuation of foreign currency (Millions of yen) (Note 3)	Percentage to total assets (%)				Unrealized gain (loss) on valuation of foreign currency (Millions of yen) (Note 4)	Percentage to total assets (%)	
Trust beneficiary rights in real estate	Retail properties, etc.	Hokkaido and Tohoku	28,313	6.2	—	—	—	28,084	6.1	—	—	—
		Kanto (Note 5)	147,354	32.4	—	—	—	152,249	33.2	—	—	—
		Tokai, Hokuriku and Chubu	58,212	12.8	—	—	—	57,618	12.6	—	—	—
		Kinki	99,440	21.9	—	—	—	98,437	21.5	—	—	—
		Chugoku and Shikoku	27,482	6.0	—	—	—	27,110	5.9	—	—	—
		Kyushu and Okinawa	46,578	10.3	—	—	—	46,068	10.0	—	—	—
		Malaysia	588	0.1	588	(26)	0.1	581	0.1	581	6	0.1
Total			407,969	89.8	588	(26)	0.1	410,151	89.4	581	6	0.1
Shares of subsidiaries and associates (Note 6)			6,078	1.3	6,078	1,420	1.3	6,078	1.3	6,078	1,859	1.3
Deposits and other assets			40,210	8.9	20	—	0.0	42,354	9.2	19	—	0.0
Total assets			454,258	100.0	6,687	1,393	1.5	458,583	100.0	6,680	1,866	1.5

	Previous fiscal period (As of January 31, 2024)		Current fiscal period (As of July 31, 2024)	
	Amount (Millions of yen)	Percentage to total assets (%)	Amount (Millions of yen)	Percentage to total assets (%)
Total liabilities	206,990	45.6	211,832	46.2
Total net assets	247,267	54.4	246,751	53.8

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

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

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

(Note 3) *Unrealized gain (loss) on valuation of foreign currency* as of January 31, 2024, represents the amount obtained by subtracting the book value at end of period that is evaluated and converted to Japanese yen based on the exchange rate at the time of the acquisition from the book value at end of period which has been converted to Japanese yen based on the exchange rate as of the end of the fiscal period (January 31, 2024). The applied exchange rate on the closing date (January 31, 2024) is RM 1 = ¥31.22 (rounded down to the second decimal place).

(Note 4) *Unrealized gain (loss) on valuation of foreign currency* as of July 31, 2024, represents the amount obtained by subtracting the book value at end of period that is evaluated and converted to Japanese yen based on the exchange rate at the time of the acquisition from the book value at end of period which has been converted to Japanese yen based on the exchange rate as of the end of the fiscal period (July 31, 2024). The applied exchange rate on the closing date (July 31, 2024) is RM 1 = ¥33.05 (rounded down to the second decimal place).

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

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

## ii) Major investment securities

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

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

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

Investment ratio by asset type and business type

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

## iii) Investment properties

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

**iv) Other main investment assets**

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

The summary of real estate, etc., held by AEON REIT as of July 31, 2024 (the end of the 23rd fiscal period) (including real estate AEON REIT owns through the Overseas SPC) is shown below.

Property number	Property name	Acquisition price (Millions of yen) (Note 1)	Book value at end of period (Millions of yen)	Assessed value at end of period (Millions of yen) (Note 2)	Investment percentage (%) (Note 3)	Seller
SRSC-1	AEON LakeTown mori (Note 4)	21,190	17,221	24,800	4.5	AEON Retail Co., Ltd.
SRSC-2	AEON LakeTown kaze (Note 4)	6,730	5,175	8,090	1.4	AEON Retail Co., Ltd.
RSC-1	AEON MALL Morioka	5,340	4,958	6,200	1.1	AEON Mall Co., Ltd.
RSC-2	AEON MALL Ishinomaki	6,680	5,356	7,190	1.4	AEON Retail Co., Ltd.
RSC-3	AEON MALL Mitouchihara (Note 5)	16,565	12,668	17,020	3.5	AEON Mall Co., Ltd. Mito City, Ibaraki Pref.
RSC-4	AEON MALL Ota (Note 6)	12,424	12,339	14,300	2.6	Tokyo Century Corporation
RSC-5	AEON Sagamihara Shopping Center	10,220	9,105	10,600	2.2	AEON Retail Co., Ltd.
RSC-6	AEON MALL Ogaki	4,950	3,010	4,620	1.0	AEON Retail Co., Ltd.
RSC-7	AEON MALL Suzuka	9,660	8,990	11,000	2.0	AEON Mall Co., Ltd.
RSC-8	AEON MALL Meiwa	3,290	3,064	3,660	0.7	AEON Retail Co., Ltd.
RSC-9	AEON MALL Kasai-Hojo	7,230	5,270	7,670	1.5	AEON Retail Co., Ltd.
RSC-10	AEON MALL Hiezu	7,780	5,641	7,580	1.6	AEON Retail Co., Ltd.
RSC-11	AEON MALL Kurashiki	17,890	16,268	19,300	3.8	AEON Mall Co., Ltd.
RSC-12	AEON MALL Ayagawa	8,740	5,201	8,060	1.8	AEON Retail Co., Ltd.
RSC-13	AEON MALL Nogata (Note 7)	12,546	9,987	13,500	2.6	Tokyo Century Corporation AEON Mall Co., Ltd.
RSC-15	AEON MALL KYOTO	21,470	18,397	23,200	4.5	AEON Mall Co., Ltd.
RSC-16	AEON MALL Sapporo-Hiraoka	5,900	4,777	5,460	1.2	Forester Special Purpose Company
RSC-17	AEON MALL Kushiro-Showa	1,780	1,784	1,910	0.4	Forester Special Purpose Company
RSC-18	AEON MALL Shinrifu North Wing	2,560	3,180	2,020	0.5	Forester Special Purpose Company
RSC-19	AEON MALL Yamagata-Minami	1,350	1,192	1,500	0.3	Forester Special Purpose Company
RSC-20	AEON MALL Yokkaichi-Kita	2,210	2,105	2,540	0.5	Forester Special Purpose Company
RSC-21	AEON MALL Yamatokoriyama (Note 8)	14,452	11,748	14,900	3.0	AEON Mall Co., Ltd.
RSC-22	AEON MALL Chiba Newtown (mall, and cinema and sports complex) (Note 9)	12,198	10,895	12,400	2.6	Tokyo Century Corporation
RSC-23	AEON MALL Kofu Showa (Note 10)	15,489	12,889	17,500	3.3	AEON Mall Co., Ltd. Showa-cho Joei Land Readjustment Association
RSC-24	AEON MALL Tomakomai	7,840	6,835	8,310	1.7	Meivius Gamma Special Purpose Company
RSC-25	AEON MALL Oyama	6,280	5,141	6,410	1.3	AEON Retail Co., Ltd.
RSC-26	AEON MALL Itamikoya	16,860	14,325	17,600	3.6	AEON Retail Co., Ltd.
RSC-27	AEON MALL Kagoshima	13,400	11,435	13,800	2.8	AEON Retail Co., Ltd.
RSC-28	AEON MALL Tsuchiura	12,030	9,854	12,300	2.5	AEON Retail Co., Ltd.
RSC-29	AEON MALL Kahoku	9,940	7,587	10,800	2.1	AEON Retail Co., Ltd.
RSC-30	AEON MALL Shimotsuma	9,552	8,290	10,800	2.0	Godo Kaisha Double O2
RSC-31	AEON MALL Kyoto Gojo	13,333	12,566	13,000	2.8	Godo Kaisha Double O3
RSC-32	AEON MALL Fukutsu	18,040	16,746	18,100	3.8	Undisclosed (Note 11)
RSC-33	AEON MALL Tamadaira woods	9,667	8,978	10,400	2.0	Undisclosed (Note 11)
RSC-34	AEON MALL Takasaki	17,164	16,158	17,800	3.6	Undisclosed (Note 11)
RSC-35	AEON MALL Narita	14,001	13,980	14,500	3.0	Godo Kaisha Double O6
RSC-36	AEON MALL Shinkomatsu	15,350	14,110	15,500	3.2	ASM2 Godo Kaisha
RSC-37	AEON MALL Sagayamato	3,720	3,479	3,880	0.8	Undisclosed (Note 11)
RSC-38	AEON MALL Wakayama	16,840	16,427	16,700	3.6	Godo Kaisha Double O7
RSC-39	AEON MALL Miyakonojo Ekimae	4,460	4,419	4,510	0.9	Godo Kaisha Double O7
CSC-1	AEON Chigasaki-Chuo Shopping Center	6,410	6,411	6,840	1.4	Sumitomo Mitsui Finance & Leasing Co., Ltd.
CSC-2	AEON STYLE Kemigawahama	3,748	3,097	3,840	0.8	AEON Retail Co., Ltd.
CSC-3	AEON Kireuriwari Shopping Center	4,394	4,024	4,840	0.9	Godo Kaisha Double O2
CSC-4	AEON Ueda Shopping Center	5,350	5,860	6,740	1.1	Godo Kaisha Double O5
L-1	Daiei-Kawasaki Process Center	14,280	12,929	16,200	3.0	Tokyo Century Corporation
L-2	AEON Minami-Osaka RDC	9,870	8,984	11,800	2.1	Tokyo Century Corporation

Property number	Property name	Acquisition price (Millions of yen) (Note 1)	Book value at end of period (Millions of yen)	Assessed value at end of period (Millions of yen) (Note 2)	Investment percentage (%) (Note 3)	Seller
L-3	Daiei Ibaraki Process Center	6,810	6,691	8,020	1.4	Tokyo Century Corporation
M-1	AEON Taman Universiti Shopping Centre (Note 12)	658 [RM 20 million]	581 [RM 17 million]	674 [RM 20 million]	0.1	AEON CO. (M) BHD.
M-2	AEON MALL SEREMBAN 2 (Note 13)	5,252 [RM 215 million]	–	7,998 [RM 242 million]	1.1	Swiss Advanced Technology Institute(M) Sdn. Bhd.
	Total	473,896	410,151 (Note 14)	506,382	100.0	

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

(Note 2) *Assessed value at end of period* represents the appraisal value shown on the appraisal report of property as of the valuation date of July 31, 2024, or survey price shown on a survey report of property. For the summary of appraisal, please refer to “Summary of real estate appraisal” described below.

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

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

(Note 5) This property includes, in addition to the trust beneficiary rights in real estate portion, a real estate portion (adjacent land portion that was additionally acquired on April 28, 2015; the acquisition price is ¥105 million, the book value at the end of the period is ¥108 million, and the assessed value at the end of the period is ¥120 million).

(Note 6) For this property *Acquisition price*, *Book value at end of period*, *Assessed value at end of period* and *Investment percentage* represent the amounts and figures that include the “Expansion Building” AEON REIT additionally acquired as of April 17, 2024.

(Note 7) For this property *Acquisition price*, *Book value at end of period*, *Assessed value at end of period* and *Investment percentage* represent the amounts and figures that reflect the land AEON REIT additionally acquired as of February 25, 2021.

(Note 8) For this property *Acquisition price*, *Book value at end of period*, *Assessed value at end of period* and *Investment percentage* represent the amounts and figures that reflect the sale of part of its land as announced in “Notice of Disposition of Part of Land of Domestic Property (AEON MALL Yamatokoriyama)” dated March 24, 2021.

(Note 9) For this property *Acquisition price*, *Book value at end of period*, *Assessed value at end of period* and *Investment percentage* represent the amounts and figures that reflect the land AEON REIT additionally acquired as of October 27, 2022.

(Note 10) For this property *Acquisition price*, *Book value at end of period*, *Assessed value at end of period* and *Investment percentage* represent the amounts and figures that include the “Extended Building” AEON REIT additionally acquired as of September 3, 2018.

(Note 11) The seller is not disclosed due to inevitable reasons, as AEON REIT has not obtained consent for disclosure from the seller.

(Note 12) *Acquisition price* represents the total yen amount of the considerations actually paid by AEON REIT to AEON CO. (M) BHD. over several times, and is the amount (the sale and purchase price, etc., shown on the sale and purchase agreement, etc.) excluding expenses incurred on the acquisition of the property (commission, taxes and dues, etc.). The weighted average exchange rate calculated from the exchange rates applied at each payment was ¥32.92 to RM 1, rounded down to the second decimal place.

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

AEON REIT holds the rights (18.18%) similar to the co-ownership interest (*kyōyū-mochibun*) of the trust property pertaining to the trust beneficiary rights in real estate of AEON Taman Universiti Shopping Centre (rights to the trust for part of AEON Taman Universiti Shopping Centre located in Johor, Malaysia; the same shall apply hereinafter). *Assessed value at end of period* describes the amount for the appraisal value shown on the appraisal report of property as of the valuation date of July 31, 2024, or survey price shown on a survey report of property, equivalent to AEON REIT’s pro-rata portion of the rights (18.18%) similar to the co-ownership interest (*kyōyū-mochibun*) of the trust property pertaining to the trust beneficiary rights in real estate. The amount of *Assessed value at end of period* has been converted to the yen using the exchange rate (RM 1 = ¥33.05; rounded down to the second decimal place) of the closing date (July 31, 2024).

(Note 13) The amount of *Acquisition price* indicates the value at which AEON REIT acquired AEON MALL SEREMBAN 2 from the seller through the Overseas SPC (the sale price, etc. stated in the sale agreement, etc., excluding the expenses (brokerage commissions, taxes and dues, etc.) that were required for the acquisition of AEON MALL SEREMBAN 2). The exchange rate used at the time of acquisition on September 30, 2016 (RM 1 = ¥24.43; rounded down to the second decimal place) is applied for the conversion from RM to Japanese yen.

*Book value at end of period* is not indicated as AEON REIT does not directly own the property. The amount of *Assessed value at end of period* has been converted to the yen using the exchange rate (RM 1 = ¥33.05; rounded down to the second decimal place) of the closing date (July 31, 2024).

(Note 14) The total amount excludes AEON MALL SEREMBAN 2 that AEON REIT owns through the Overseas SPC.

(B) Overview of lease

The overview of lease (annual contracted rent, leasehold and security deposits, total leasable area, total leased area, and occupancy rate as of July 31, 2024) of real estate, etc., held by AEON REIT as of the end of the current fiscal period (July 31, 2024) is shown below.

Property type	Property number	Property name	Location	Date of construction	Annual contracted rent (Millions of yen)	Leasehold and security deposits (Millions of yen)	Total leasable area (m <sup>2</sup> ) (Note 1)	Total leased area (m <sup>2</sup> )	Occupancy rate (%)
Retail properties, etc.	SRSC-1	AEON LakeTown mori (Note 2)	Koshigaya City, Saitama Pref.	September 9, 2008	679	685	205,711.70	205,711.70	100.0
	SRSC-2	AEON LakeTown kaze (Note 2)	Koshigaya City, Saitama Pref.	September 9, 2008	336	330	127,183.81	127,183.81	100.0
	RSC-1	AEON MALL Morioka	Morioka City, Iwate Pref.	July 23, 2003	369	338	98,968.59	98,968.59	100.0
	RSC-2	AEON MALL Ishinomaki	Ishinomaki City, Miyagi Pref.	March 2, 2007	350	354	60,682.20	60,682.20	100.0
	RSC-3	AEON MALL Mitouchihara	Mito City, Ibaraki Pref.	November 8, 2005	719 (Note 3)	726 (Note 3)	159,997.49	159,997.49	100.0
	RSC-4	AEON MALL Ota (Note 4)	Ota City, Gunma Pref.	November 17, 2003	594	686	114,214.56	114,214.56	100.0
	RSC-5	AEON Sagamihara Shopping Center	Sagamihara City, Kanagawa Pref.	August 9, 1993	418	420	75,056.62	75,056.62	100.0
	RSC-6	AEON MALL Ogaki	Ogaki City, Gifu Pref.	March 29, 2007	323	330	64,246.26	64,246.26	100.0
	RSC-7	AEON MALL Suzuka	Suzuka City, Mie Pref.	November 12, 1996	462	446	125,253.74	125,253.74	100.0
	RSC-8	AEON MALL Meiwa	Taki County, Mie Pref.	August 6, 2001	217	214	44,193.80	44,193.80	100.0
	RSC-9	AEON MALL Kasai-Hojo	Kasai City, Hyogo Pref.	October 3, 2008	322	328	48,229.25	48,229.25	100.0
	RSC-10	AEON MALL Hiezu	Saihaku County, Tottori Pref.	March 8, 1999	427	426	102,045.24	102,045.24	100.0
	RSC-11	AEON MALL Kurashiki	Kurashiki City, Okayama Pref.	September 15, 1999	747	741	157,274.78	157,274.78	100.0
	RSC-12	AEON MALL Ayagawa	Ayauta County, Kagawa Pref.	July 18, 2008	453	460	113,149.07	113,149.07	100.0
	RSC-13	AEON MALL Nogata	Nogata City, Fukuoka Pref.	April 4, 2005	546	545	151,969.51	151,969.51	100.0
	RSC-15	AEON MALL KYOTO	Kyoto City, Kyoto Pref.	January 7, 2010	710	698	136,468.45	136,468.45	100.0
	RSC-16	AEON MALL Sapporo-Hiraoka	Sapporo City, Hokkaido	November 10, 2000	448	—	78,360.81	78,360.81	100.0
	RSC-17	AEON MALL Kushiro-Showa	Kushiro City, Hokkaido	September 13, 2000	230	—	51,763.05	51,763.05	100.0
	RSC-18	AEON MALL Shinrifu North Wing	Miyagi County, Miyagi Pref.	April 18, 2000	208	—	66,478.91	66,478.91	100.0
	RSC-19	AEON MALL Yamagata-Minami	Yamagata City, Yamagata Pref.	November 17, 2000	160	—	53,502.94	53,502.94	100.0
	RSC-20	AEON MALL Yokkaichi-Kita	Yokkaichi City, Mie Pref.	January 23, 2001	243	—	41,447.33	41,447.33	100.0
	RSC-21	AEON MALL Yamatokoriyama	Yamatokoriyama City, Nara Pref.	February 16, 2010	764	768	105,230.88	105,230.88	100.0
	RSC-22	AEON MALL Chiba Newtown (mall, and cinema and sports complex)	Inzai City, Chiba Pref.	April 17, 2006	401	403	107,425.97	107,425.97	100.0
	RSC-23	AEON MALL Kofu Showa (Note 5)	Nakakoma County, Yamanashi Pref.	March 11, 2011	671	643	99,772.38	99,772.38	100.0
	RSC-24	AEON MALL Tomakomai	Tomakomai City, Hokkaido Pref.	April 8, 2005	342	—	71,308.33	71,308.33	100.0
	RSC-25	AEON MALL Oyama	Oyama City, Tochigi Pref.	April 18, 1997	275	279	47,872.33	47,872.33	100.0
RSC-26	AEON MALL Itamikoya	Itami City, Hyogo Pref.	February 2, 2011	844	851	122,944.71	122,944.71	100.0	

Property type	Property number	Property name	Location	Date of construction	Annual contracted rent (Millions of yen)	Leasehold and security deposits (Millions of yen)	Total leasable area (m <sup>2</sup> ) (Note 1)	Total leased area (m <sup>2</sup> )	Occupancy rate (%)
Retail properties, etc.	RSC-27	AEON MALL Kagoshima	Kagoshima City, Kagoshima Pref.	September 12, 2007	588	—	132,341.35	132,341.35	100.0
	RSC-28	AEON MALL Tsuchiura	Tsuchiura City, Ibaraki Pref.	May 19, 2009	530	536	86,848.51	86,848.51	100.0
	RSC-29	AEON MALL Kahoku	Kahoku City, Ishikawa Pref.	September 30, 2008	488	492	70,948.14	70,948.14	100.0
	RSC-30	AEON MALL Shimotsuma	Shimotsuma City, Ibaraki Pref.	November 17, 1997	399	—	58,402.66	58,402.66	100.0
	RSC-31	AEON MALL Kyoto Gojo	Kyoto City, Kyoto Pref.	January 21, 2004	445	—	87,311.56	87,311.56	100.0
	RSC-32	AEON MALL Fukutsu	Fukutsu City, Fukuoka Pref.	April 20, 2012	623	628	100,020.87	100,020.87	100.0
	RSC-33	AEON MALL Tamadaira woods	Hino City, Tokyo	November 17, 2014	577	284	66,575.54	66,575.54	100.0
	RSC-34	AEON MALL Takasaki	Takasaki City, Gunma Pref.	October 16, 2006	730	722	126,403.58	126,403.58	100.0
	RSC-35	AEON MALL Narita	Narita City, Chiba Pref.	March 15, 2000	571	—	122,785.62	122,785.62	100.0
	RSC-36	AEON MALL Shinkomatsu	Komatsu City, Ishikawa Pref.	February 27, 2017	715	—	79,509.27	79,509.27	100.0
	RSC-37	AEON MALL Sagayamato	Saga City, Saga Pref.	September 1, 2000	175	105	68,942.36	68,942.36	100.0
	RSC-38	AEON MALL Wakayama	Wakayama City, Wakayama Pref.	February 13, 2014	774	—	123,318.13	123,318.13	100.0
	RSC-39	AEON MALL Miyakonojo Ekimae	Miyakonojo City, Miyazaki Pref.	November 27, 2008	207	—	62,324.49	62,324.49	100.0
	CSC-1	AEON Chigasaki-Chuo Shopping Center	Chigasaki City, Kanagawa Pref.	October 13, 2000	224	223	63,158.24	63,158.24	100.0
	CSC-2	AEON STYLE Kemigawahama	Chiba City, Chiba Pref.	November 20, 1991	174	177	29,947.62	29,947.62	100.0
	CSC-3	AEON Kireuriwari Shopping Center	Osaka City, Osaka Pref.	November 21, 2005	173	—	27,603.46	27,603.46	100.0
	CSC-4	AEON Ueda Shopping Center	Ueda City, Nagano Pref.	June 30, 2004	253	—	61,349.07	61,349.07	100.0
	L-1	Daiei-Kawasaki Process Center	Kawasaki City, Kanagawa Pref.	April 22, 1997	483	269	59,265.77	59,265.77	100.0
	L-2	AEON Minami-Osaka RDC	Sakai City, Osaka Pref.	April 25, 1995	289	144	50,197.06	50,197.06	100.0
	L-3	Daiei Ibaraki Process Center	Ibaraki City, Osaka Pref.	June 14, 1977	251	263	50,783.58	50,783.58	100.0
M-1	AEON Taman Universiti Shopping Centre (Note 6)	Johor, Malaysia	2002	26 [RM 837 thousand]	—	22,870.00	22,870.00	100.0	
M-2	AEON MALL SEREMBAN 2 (Note 7)	Negeri Sembilan, Malaysia	2005	265 [RM 8,139 thousand]	—	81,135.00	81,135.00	100.0	
Total					21,243 (Note 8)	14,532	4,262,794.59	4,262,794.59	100.0

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

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

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

(Note 4) Annual contracted rent, Leasehold and security deposits, Total leasable area, Total leased area and Occupancy rate of AEON MALL Ota represent the amounts and figures that include those of the “Expansion Building” AEON REIT additionally acquired as of April 17, 2024. Furthermore, the date of construction of the “Expansion Building” is March 8, 2024.

(Note 5) Annual contracted rent, Leasehold and security deposits, Total leasable area, Total leased area and Occupancy rate of AEON MALL Kofu Showa represent the amounts and figures that include those of the “Extended Building” AEON REIT additionally acquired as of September 3, 2018. Furthermore, the date of construction of the “Extended Building” is November 20, 2017.

- (Note 6) *Date of construction* represents the completion year noted in the Building Status Report prepared by Takenaka Corporation. AEON REIT holds the rights (18.18%) similar to the co-ownership interest (*kyōyū-mochibun*) of the trust property pertaining to the trust beneficiary rights in real estate of AEON Taman Universiti Shopping Centre. *Annual contracted rent* describes the figure equivalent to AEON REIT's pro-rata portion of the rights (18.18%) similar to the co-ownership interest (*kyōyū-mochibun*) of the trust property pertaining to the trust beneficiary rights in real estate. *Annual contracted rent* represents the amount after the conversion to Japanese yen based on the exchange rate at the time of the transaction (based on the average spot exchange rate of the month preceding the month in which the transaction was carried out). *Total leasable area* and *Total leased area* represent the building floor area as indicated in the Building Status Report prepared by Takenaka Corporation or the building floor area as indicated in the real estate appraisal report prepared by the Japan Real Estate Institute.
- (Note 7) AEON REIT owns the property through the Overseas SPC. For annual contracted rent, the figure has been converted to Japanese yen based on the period-average exchange rate (RM 1 = ¥32.66; rounded down to the second decimal place).
- (Note 8) The total amount of annual contracted rent is calculated by including AEON MALL SEREMBAN 2 that AEON REIT owns through the Overseas SPC. Accordingly, the total amount of annual contracted rent in the above table does not match the rent revenue - real estate of AEON REIT.

(C) Summary of real estate appraisal

The summary of real estate appraisal (appraisal value; income approach value and capitalization rate based on direct capitalization method; income approach value based on DCF method; discount rate, terminal capitalization rate and NOI) for the already acquired properties (including real estate AEON REIT owns through the Overseas SPC) as of the end of the 23rd fiscal period (July 31, 2024) is shown below.

Property number	Property name	Appraisal agency	Appraisal value (Millions of yen) (Note 1)	Income approach value					NOI (Millions of yen) (Note 2)
				Price based on direct capitalization method (Millions of yen)	Capitalization rate (%)	Price based on DCF method (Millions of yen)	Discount rate (%)	Terminal capitalization rate (%)	
SRSC-1	AEON LakeTown mori (Note 3)	The Tanizawa Sōgō Appraisal Co., Ltd.	24,800	25,200	4.5	24,600	4.5 4.6 (Note 4)	4.7	1,153
SRSC-2	AEON LakeTown kaze (Note 3)	The Tanizawa Sōgō Appraisal Co., Ltd.	8,090	8,310	4.9	8,000	4.8 4.9 (Note 4)	5.2	422
RSC-1	AEON MALL Morioka	Daiwa Real Estate Appraisal Co., Ltd.	6,200	6,300	6.3	6,150	6.1	6.5	526
RSC-2	AEON MALL Ishinomaki	Daiwa Real Estate Appraisal Co., Ltd.	7,190	7,290	6.1	7,140	5.9	6.3	465
RSC-3	AEON MALL Mitouchihara (Trust beneficiary rights in real estate) (Note 5)	Daiwa Real Estate Appraisal Co., Ltd.	16,900	17,200	5.7	16,700	5.5	5.9	1,089
	AEON MALL Mitouchihara (Land) (Note 5)	Daiwa Real Estate Appraisal Co., Ltd.	120	—	—	120	4.8	—	—
RSC-4	AEON MALL Ota (Note 6)	Japan Real Estate Institute	14,300	14,400	6.2	14,200	5.7	6.4	972
RSC-5	AEON Sagami-hara Shopping Center	Japan Real Estate Institute	10,600	10,700	5.1	10,500	4.8	5.3	661
RSC-6	AEON MALL Ogaki	Japan Real Estate Institute	4,620	4,640	7.2	4,590	6.0	8.3	373
RSC-7	AEON MALL Suzuka	Daiwa Real Estate Appraisal Co., Ltd.	11,000	11,100	5.9	10,900	5.7	6.1	788
RSC-8	AEON MALL Meiwa	Daiwa Real Estate Appraisal Co., Ltd.	3,660	3,740	6.3	3,620	6.1	6.5	286
RSC-9	AEON MALL Kasai-Hojo	Daiwa Real Estate Appraisal Co., Ltd.	7,670	7,730	6.6	7,640	6.4	6.8	534
RSC-10	AEON MALL Hiezu	Japan Real Estate Institute	7,580	7,640	6.6	7,520	6.2	6.9	593
RSC-11	AEON MALL Kurashiki	Japan Real Estate Institute	19,300	19,400	5.8	19,200	5.5	6.0	1,271
RSC-12	AEON MALL Ayagawa	Daiwa Real Estate Appraisal Co., Ltd.	8,060	8,180	6.2	8,010	6.0	6.4	592
RSC-13	AEON MALL Nogata (Note 7)	Daiwa Real Estate Appraisal Co., Ltd.	13,500	13,600	5.9	13,400	5.7	6.1	927
RSC-15	AEON MALL KYOTO	Japan Real Estate Institute	23,200	23,500	4.5	22,900	4.2	4.7	1,087
RSC-16	AEON MALL Sapporo-Hiraoka	The Tanizawa Sōgō Appraisal Co., Ltd.	5,460	5,640	6.0	5,380	6.0 6.1 (Note 4)	6.3	455
RSC-17	AEON MALL Kushiro-Showa	The Tanizawa Sōgō Appraisal Co., Ltd.	1,910	1,990	6.6	1,880	6.6 6.7 (Note 4)	6.9	180
RSC-18	AEON MALL Shinrifu North Wing	The Tanizawa Sōgō Appraisal Co., Ltd.	2,020	2,100	6.2	1,980	6.2 6.3 (Note 4)	6.5	213

Property number	Property name	Appraisal agency	Appraisal value (Millions of yen) (Note 1)	Income approach value					NOI (Millions of yen) (Note 2)
				Price based on direct capitalization method (Millions of yen)	Capitalization rate (%)	Price based on DCF method (Millions of yen)	Discount rate (%)	Terminal capitalization rate (%)	
RSC-19	AEON MALL Yamagata-Minami	The Tanizawa Sōgō Appraisal Co., Ltd.	1,500	1,560	6.4	1,480	6.4 6.5 (Note 4)	6.7	140
RSC-20	AEON MALL Yokkaichi-Kita	The Tanizawa Sōgō Appraisal Co., Ltd.	2,540	2,640	5.9	2,490	5.9 6.0 (Note 4)	6.2	216
RSC-21	AEON MALL Yamatokoriyama (Note 8)	Japan Real Estate Institute	14,900	15,100	5.5	14,700	5.0	5.7	883
RSC-22	AEON MALL Chiba Newtown (mall, and cinema and sports complex) (Note 9)	Japan Real Estate Institute	12,400	12,500	4.6	12,200	4.3	4.8	626
RSC-23	AEON MALL Kofu Showa (Note 10)	Japan Real Estate Institute	17,500	17,600	5.5	17,400	5.0	5.7	989
RSC-24	AEON MALL Tomakomai	The Tanizawa Sōgō Appraisal Co., Ltd.	8,310	8,440	5.7	8,250	5.7 5.8 (Note 4)	5.9	529
RSC-25	AEON MALL Oyama	Japan Real Estate Institute	6,410	6,440	6.4	6,370	6.1	6.6	452
RSC-26	AEON MALL Itamikoya	Japan Real Estate Institute	17,600	17,800	5.5	17,300	5.0	5.7	1,022
RSC-27	AEON MALL Kagoshima	The Tanizawa Sōgō Appraisal Co., Ltd.	13,800	14,100	5.7	13,700	5.7 5.8 (Note 4)	6.0	878
RSC-28	AEON MALL Tsuchiura	Japan Real Estate Institute	12,300	12,400	6.0	12,200	5.5	6.2	800
RSC-29	AEON MALL Kahoku	Japan Real Estate Institute	10,800	10,800	6.6	10,700	6.1	6.8	755
RSC-30	AEON MALL Shimotsuma	Japan Real Estate Institute	10,800	10,800	6.1	10,700	5.7	6.3	656
RSC-31	AEON MALL Kyoto Gojo	The Tanizawa Sōgō Appraisal Co., Ltd.	13,000	13,300	4.7	12,900	4.7 4.8 (Note 4)	4.9	719
RSC-32	AEON MALL Fukutsu	The Tanizawa Sōgō Appraisal Co., Ltd.	18,100	18,600	5.2	17,900	5.2 5.3 (Note 4)	5.4	1,011
RSC-33	AEON MALL Tamadaira woods	The Tanizawa Sōgō Appraisal Co., Ltd.	10,400	10,900	4.8	10,200	4.8 4.9 (Note 4)	5.1	538
RSC-34	AEON MALL Takasaki	Daiwa Real Estate Appraisal Co., Ltd.	17,800	18,100	5.2	17,600	4.8	5.5	990
RSC-35	AEON MALL Narita	Daiwa Real Estate Appraisal Co., Ltd.	14,500	15,000	4.6	14,300	4.4	4.8	788
RSC-36	AEON MALL Shinkomatsu (Note 11)	The Tanizawa Sōgō Appraisal Co., Ltd.	15,500	15,900	—	15,300	6.3 6.4 (Note 4)	—	1,056
RSC-37	AEON MALL Sagayamato	The Tanizawa Sōgō Appraisal Co., Ltd.	3,880	4,020	6.1	3,820	6.1 6.2 (Note 4)	6.4	244
RSC-38	AEON MALL Wakayama (Note 12)	The Tanizawa Sōgō Appraisal Co., Ltd.	16,700	17,200	—	16,500	5.0 5.1 (Note 4)	—	1,009
RSC-39	AEON MALL Miyakonojo Ekimae	The Tanizawa Sōgō Appraisal Co., Ltd.	4,510	4,580	5.7	4,480	5.7 5.8 (Note 4)	5.9	316
CSC-1	AEON Chigasaki-Chuo Shopping Center	Japan Real Estate Institute	6,840	6,890	4.8	6,790	4.5	5.0	357
CSC-2	AEON STYLE Kemigawahama	Japan Real Estate Institute	3,840	3,870	5.9	3,800	5.4	6.1	277

Property number	Property name	Appraisal agency	Appraisal value (Millions of yen) (Note 1)	Income approach value					NOI (Millions of yen) (Note 2)
				Price based on direct capitalization method (Millions of yen)	Capitalization rate (%)	Price based on DCF method (Millions of yen)	Discount rate (%)	Terminal capitalization rate (%)	
CSC-3	AEON Kireuriwari Shopping Center	The Tanizawa Sōgō Appraisal Co., Ltd.	4,840	5,000	5.0	4,770	5.0 5.1 (Note 4)	5.3	250
CSC-4	AEON Ueda Shopping Center	Japan Real Estate Institute	6,740	6,770	6.5	6,700	6.2	6.7	439
L-1	Daiei-Kawasaki Process Center	Japan Real Estate Institute	16,200	16,400	4.4	16,000	3.8	4.8	767
L-2	AEON Minami-Osaka RDC	Japan Real Estate Institute	11,800	11,900	4.3	11,600	3.9	4.6	522
L-3	Daiei Ibaraki Process Center	Japan Real Estate Institute	8,020	8,080	4.4	7,950	4.1	4.6	411
M-1	AEON Taman Universiti Shopping Centre (Note 13)	Japan Real Estate Institute	674 [RM 20 million]	–	–	672 [RM 20 million]	7.0	8.0	53 [RM 1 million]
M-2	AEON MALL SEREMBAN 2 (Note 13) (Note 14)	Japan Real Estate Institute	7,998 [RM 242 million]	–	–	7,998 [RM 242 million]	6.3	6.5	500 [RM 15 million]
Total			506,382	–	–	501,201	–	–	–

(Note 1) *Appraisal value* represents the appraisal value indicated in the appraisal report with the valuation date of July 31, 2024, or the survey value indicated in the real estate survey report.

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

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

(Note 4) Discount rates for AEON LakeTown mori are 4.5% during the initial nine years and 4.6% from the tenth year.  
Discount rates for AEON LakeTown kaze are 4.8% during the initial nine years and 4.9% from the tenth year.  
Discount rates for AEON MALL Sapporo-Hiraoka are 6.0% during the initial year and 6.1% from the second year.  
Discount rates for AEON MALL Kushiro-Showa are 6.6% during the initial two years and 6.7% from the third year.  
Discount rates for AEON MALL Shinrifu North Wing are 6.2% during the initial three years and 6.3% from the fourth year.  
Discount rates for AEON MALL Yamagata-Minami are 6.4% during the initial two years and 6.5% from the third year.  
Discount rates for AEON MALL Yokkaichi-Kita are 5.9% during the initial two years and 6.0% from the third year.  
Discount rates for AEON MALL Tomakomai are 5.7% during the initial five years and 5.8% from the sixth year.  
Discount rates for AEON MALL Kagoshima are 5.7% during the initial two years and 5.8% from the third year.  
Discount rates for AEON MALL Kyoto Gojo are 4.7% during the initial two years and 4.8% from the third year.  
Discount rates for AEON MALL Fukutsu are 5.2% during the initial two years and 5.3% from the third year.  
Discount rates for AEON MALL Tamadaira woods are 4.8% during the initial two years and 4.9% from the third year.  
Discount rates for AEON MALL Shinkomatsu are 6.3% during the initial five years and 6.4% from the sixth year.  
Discount rates for AEON MALL Sagayamato are 6.1% during the initial seven years and 6.2% from the eighth year.  
Discount rates for AEON MALL Wakayama are 5.0% during the initial eight years and 5.1% from the ninth year.  
Discount rates for AEON MALL Miyakonojo Ekimae are 5.7% during the initial five years and 5.8% from the sixth year.  
Discount rates for AEON Kireuriwari Shopping Center are 5.0% during the initial three years and 5.1% from the fourth year.

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

(Note 6) For AEON MALL Ota, the amounts and figures are indicated combined with those of the Expansion Building AEON REIT additionally acquired on April 17, 2024.

(Note 7) For AEON MALL Nogata, AEON REIT additionally acquired land as of February 25, 2021.

(Note 8) For AEON MALL Yamatokoriyama, the amounts and figures are indicated by reflecting the sale of part of its land as announced in "Notice of Disposition of Part of Land of Domestic Property (AEON MALL Yamatokoriyama)" dated March 24, 2021.

(Note 9) For AEON MALL Chiba Newtown, AEON REIT additionally acquired land as of October 27, 2022.

(Note 10) For AEON MALL Kofu Showa, the amounts and figures are indicated combined with those of the Extended Building AEON REIT additionally acquired on September 3, 2018.

- (Note 11) For AEON MALL Shinkomatsu, the price based on direct capitalization method is estimated by the capitalization method over a definite term (revised Inwood method), in consideration of such facts that the right of use of the land is fixed-term sub-leasehold interest for business purposes and thus its profit-earning period is limited.
- (Note 12) For AEON MALL Wakayama, the price based on direct capitalization method is estimated by the capitalization method over a definite term (revised Inwood method), in consideration of such facts that the right of use of part of the land is fixed-term sub-leasehold interest for business purposes and thus its profit-earning period is limited.
- (Note 13) Pursuant to the local appraisal methodology, the evaluation of the appraisal value of AEON Taman Universiti Shopping Centre and AEON MALL SEREMBAN 2 has been entrusted to Japan Real Estate Institute. *Appraisal value* of AEON Taman Universiti Shopping Centre is based on the appraisal value as indicated on the appraisal report as of the valuation date of July 31, 2024, and shows the amount equivalent to the rights (18.18%) similar to the co-ownership right (*kyōyū-mochibun*) of the trust property pertaining to the trust beneficiary rights in real estate in Malaysia for AEON Taman Universiti Shopping Centre. The prices and NOI in *Income approach value* are based on the value, etc. calculated by the standard income approach applied in Malaysia to real estate for investment (the investment method), and shows the amounts equivalent to the rights (18.18%) similar to the co-ownership right (*kyōyū-mochibun*) of the trust property pertaining to the trust beneficiary rights in real estate for AEON Taman Universiti Shopping Centre. *Appraisal value* of AEON MALL SEREMBAN 2 shows the appraisal value as indicated on the appraisal report as of the valuation date of July 31, 2024. The amounts indicated in yen in *Appraisal value* and the prices and NOI in *Income approach value* have been converted to the yen using the exchange rate (RM 1 = ¥33.05; rounded down to the second decimal place) of the closing date (July 31, 2024).
- (Note 14) The property is owned by AEON REIT through the Overseas SPC.

## (D) Statements of income of individual properties

23rd fiscal period (From February 1, 2024, to July 31, 2024)

(Unit: Thousands of yen)

Property number	SRSC-1	SRSC-2	RSC-1	RSC-2	RSC-3
Property name	AEON LakeTown mori	AEON LakeTown kaze	AEON MALL Morioka	AEON MALL Ishinomaki	AEON MALL Mitouchihara
Number of operating days	182	182	182	182	182
(A) Revenues related to real estate leasing business	679,346	336,516	369,973	350,971	719,719
Rent revenue—real estate	679,346	336,516	369,973	350,971	719,719
(B) Expenses related to real estate leasing business	109,549	133,993	137,756	130,871	187,618
Property and facility management fees (Note 1)	1,826	1,284	1,820	1,790	1,400
Taxes and dues	78,161	29,943	40,721	45,012	68,721
Insurance expenses	9,774	6,980	7,338	4,671	12,180
Repairs and maintenance expenses	19,653	15,996	38,108	23,920	29,322
Land rent paid	16	78,959	49,748	54,704	75,121
Utilities	—	—	—	—	—
Other expenses related to rent business	117	829	20	772	873
(C) NOI (A – B)	569,796	202,522	232,216	220,099	532,101
(D) Depreciation	113,704	57,672	89,456	57,058	126,141
(E) Income from leasing business (C – D)	456,091	144,849	142,760	163,041	405,959
(F) Capital expenditures	71,062	9,513	61,594	22,590	30,788
(G) NCF (C – F)	498,734	193,009	170,622	197,508	501,312

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

(Unit: Thousands of yen)

Property number	RSC-4	RSC-5	RSC-6	RSC-7	RSC-8
Property name	AEON MALL Ota (Note 3)	AEON Sagami hara Shopping Center	AEON MALL Ogaki	AEON MALL Suzuka	AEON MALL Meiwa
Number of operating days	182	182	182	182	182
(A) Revenues related to real estate leasing business	594,309	418,057	323,775	462,222	217,380
Rent revenue—real estate	594,309	418,057	323,775	462,222	217,380
(B) Expenses related to real estate leasing business	529,162	94,938	145,783	211,777	118,298
Property and facility management fees (Note 1)	1,400	1,400	1,760	1,220	1,850
Taxes and dues	36,457	74,019	30,052	50,428	18,934
Insurance expenses	8,330	9,666	4,416	9,614	2,647
Repairs and maintenance expenses	350,345	9,832	15,341	145,354	57,155
Land rent paid	132,591	—	94,212	—	37,567
Utilities	—	—	—	—	—
Other expenses related to rent business	38	18	—	5,160	142
(C) NOI (A – B)	65,146	323,119	177,991	250,445	99,081
(D) Depreciation	216,283	97,380	61,585	149,248	45,229
(E) Income from leasing business (C – D)	(151,136)	225,738	116,406	101,196	53,852
(F) Capital expenditures	552,089	12,332	16,465	369,574	23,999
(G) NCF (C – F)	(486,943)	310,786	161,525	(119,129)	75,082

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

(Note 3) The acquisition price (cost of construction work: ¥5,564 million, incidental expenses: ¥154 million) for the expansion building of AEON MALL Ota acquired during the current fiscal period is not included in the capital expenditures in the table above as the expenditure was due to the acquisition of a new building along with the succession of status in the construction contract.

(Unit: Thousands of yen)

Property number	RSC-9	RSC-10	RSC-11	RSC-12	RSC-13
Property name	AEON MALL Kasai-Hojo	AEON MALL Hiezu	AEON MALL Kurashiki	AEON MALL Ayagawa	AEON MALL Nogata
Number of operating days	182	182	182	182	182
(A) Revenues related to real estate leasing business	322,867	427,926	747,897	453,552	546,267
Rent revenue—real estate	322,867	427,926	747,897	453,552	546,267
(B) Expenses related to real estate leasing business	50,925	169,948	185,817	167,343	104,350
Property and facility management fees (Note 1)	1,850	1,850	1,850	1,850	1,850
Taxes and dues	32,358	38,713	88,595	50,343	58,067
Insurance expenses	3,130	8,202	13,201	7,864	13,706
Repairs and maintenance expenses	3,708	49,019	82,102	22,327	30,712
Land rent paid	9,677	72,092	—	84,915	—
Utilities	—	—	—	—	—
Other expenses related to rent business	201	70	68	43	14
(C) NOI (A – B)	271,942	257,978	562,080	286,208	441,917
(D) Depreciation	43,197	153,825	258,735	81,199	178,245
(E) Income from leasing business (C – D)	228,744	104,152	303,344	205,008	263,671
(F) Capital expenditures	—	35,827	72,518	13,665	1,487
(G) NCF (C – F)	271,942	222,150	489,561	272,542	440,429

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

(Unit: Thousands of yen)

Property number	RSC-15	RSC-16	RSC-17	RSC-18	RSC-19
Property name	AEON MALL KYOTO	AEON MALL Sapporo-Hiraoka	AEON MALL Kushiro-Showa	AEON MALL Shinrifu North Wing	AEON MALL Yamagata-Minami
Number of operating days	182	182	182	182	182
(A) Revenues related to real estate leasing business	710,627	448,030	230,398	208,544	160,624
Rent revenue—real estate	710,627	448,030	230,398	208,544	160,624
(B) Expenses related to real estate leasing business	183,081	259,241	145,179	117,715	101,789
Property and facility management fees (Note 1)	1,562	2,180	2,180	1,760	1,820
Taxes and dues	134,572	41,415	29,973	22,050	16,573
Insurance expenses	11,862	6,193	3,978	4,779	3,968
Repairs and maintenance expenses	35,070	43,977	12,314	23,186	14,886
Land rent paid	—	165,475	96,733	65,915	64,541
Utilities	—	—	—	—	—
Other expenses related to rent business	13	—	—	23	—
(C) NOI (A – B)	527,546	188,789	85,218	90,829	58,835
(D) Depreciation	191,937	77,767	37,845	75,619	25,453
(E) Income from leasing business (C – D)	335,608	111,021	47,372	15,210	33,381
(F) Capital expenditures	35,826	5,020	—	1,655	48,140
(G) NCF (C – F)	491,719	183,768	85,218	89,173	10,694

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

(Unit: Thousands of yen)

Property number	RSC-20	RSC-21	RSC-22	RSC-23	RSC-24
Property name	AEON MALL Yokkaichi-Kita	AEON MALL Yamatokoriyama	AEON MALL Chiba Newtown (mall, and cinema and sports complex)	AEON MALL Kofu Showa	AEON MALL Tomakomai
Number of operating days	182	182	182	182	182
(A) Revenues related to real estate leasing business	243,997	764,686	401,642	671,009	342,935
Rent revenue–real estate	243,997	764,686	401,642	671,009	342,935
(B) Expenses related to real estate leasing business	138,444	328,352	115,225	179,083	84,785
Property and facility management fees (Note 1)	1,760	1,760	1,670	1,820	1,850
Taxes and dues	19,521	58,194	69,687	60,624	58,305
Insurance expenses	3,009	9,161	7,431	7,867	5,588
Repairs and maintenance expenses	15,228	13,391	36,415	15,775	19,042
Land rent paid	91,469	245,786	–	92,995	–
Utilities	–	–	–	–	–
Other expenses related to rent business	7,456	59	21	–	–
(C) NOI (A – B)	105,552	436,333	286,417	491,925	258,150
(D) Depreciation	40,125	180,962	79,619	263,837	75,947
(E) Income from leasing business (C – D)	65,427	255,371	206,797	228,087	182,202
(F) Capital expenditures	3,564	–	61,536	–	71,066
(G) NCF (C – F)	101,988	436,333	224,881	491,925	187,083

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

(Unit: Thousands of yen)

Property number	RSC-25	RSC-26	RSC-27	RSC-28	RSC-29
Property name	AEON MALL Oyama	AEON MALL Itamikoya	AEON MALL Kagoshima	AEON MALL Tsuchiura	AEON MALL Kahoku
Number of operating days	182	182	182	182	182
(A) Revenues related to real estate leasing business	275,619	844,907	588,317	530,527	488,947
Rent revenue–real estate	275,619	844,907	588,317	530,527	488,947
(B) Expenses related to real estate leasing business	62,720	339,751	182,158	137,052	136,243
Property and facility management fees (Note 1)	1,400	1,376	1,688	1,334	1,580
Taxes and dues	29,149	89,312	92,051	50,118	37,929
Insurance expenses	4,006	10,949	10,214	6,942	6,107
Repairs and maintenance expenses	28,158	14,886	45,413	13,727	32,176
Land rent paid	–	223,227	32,792	64,912	58,428
Utilities	–	–	–	–	–
Other expenses related to rent business	5	–	–	18	21
(C) NOI (A – B)	212,899	505,155	406,158	393,474	352,704
(D) Depreciation	88,348	185,390	103,039	154,746	169,405
(E) Income from leasing business (C – D)	124,551	319,764	303,119	238,727	183,299
(F) Capital expenditures	31,887	6,352	5,173	–	98,527
(G) NCF (C – F)	181,011	498,802	400,985	393,474	254,177

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

(Unit: Thousands of yen)

Property number	RSC-30	RSC-31	RSC-32	RSC-33	RSC-34
Property name	AEON MALL Shimotsuma	AEON MALL Kyoto Gojo	AEON MALL Fukutsu	AEON MALL Tamadaira woods	AEON MALL Takasaki
Number of operating days	182	182	182	182	182
(A) Revenues related to real estate leasing business	399,088	445,974	623,029	577,361	730,596
Rent revenue—real estate	399,088	445,974	623,029	577,361	730,596
(B) Expenses related to real estate leasing business	74,078	96,390	130,299	318,679	241,936
Property and facility management fees (Note 1)	1,610	1,412	1,580	1,340	1,340
Taxes and dues	26,819	61,930	79,486	51,540	77,452
Insurance expenses	5,245	6,350	8,305	5,733	9,922
Repairs and maintenance expenses	—	26,697	22,865	15,851	26,833
Land rent paid	40,378	—	18,042	244,190	125,959
Utilities	—	—	—	—	—
Other expenses related to rent business	24	—	19	22	428
(C) NOI (A – B)	325,009	349,583	492,729	258,682	488,660
(D) Depreciation	121,388	74,764	141,111	94,675	210,362
(E) Income from leasing business (C – D)	203,621	274,819	351,618	164,006	278,298
(F) Capital expenditures	—	8,632	9,525	—	1,882
(G) NCF (C – F)	325,009	340,951	483,203	258,682	486,778

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

(Unit: Thousands of yen)

Property number	RSC-35	RSC-36	RSC-37	RSC-38	RSC-39
Property name	AEON MALL Narita	AEON MALL Shinkomatsu	AEON MALL Sagayamato	AEON MALL Wakayama	AEON MALL Miyakonojo Ekimae
Number of operating days	182	182	182	182	182
(A) Revenues related to real estate leasing business	571,001	715,348	175,821	774,078	207,295
Rent revenue—real estate	571,001	715,348	175,821	774,078	207,295
(B) Expenses related to real estate leasing business	190,489	182,065	56,822	273,831	61,027
Property and facility management fees (Note 1)	1,340	1,520	1,520	1,220	1,520
Taxes and dues	53,096	70,292	18,452	104,850	39,618
Insurance expenses	8,265	6,306	5,204	11,627	5,167
Repairs and maintenance expenses	20,295	6,126	—	12,028	14,703
Land rent paid	107,469	97,800	31,627	144,085	—
Utilities	—	—	—	—	—
Other expenses related to rent business	21	19	17	18	18
(C) NOI (A – B)	380,512	533,283	118,999	500,247	146,267
(D) Depreciation	104,287	290,300	53,464	273,366	50,389
(E) Income from leasing business (C – D)	276,225	242,983	65,535	226,881	95,878
(F) Capital expenditures	81,663	5,213	—	4,181	—
(G) NCF (C – F)	298,849	528,070	118,999	496,066	146,267

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

(Unit: Thousands of yen)

Property number	CSC-1	CSC-2	CSC-3	CSC-4	L-1
Property name	AEON Chigasaki-Chuo Shopping Center	AEON STYLE Kemigawahama	AEON Kireuriwari Shopping Center	AEON Ueda Shopping Center	Daiei-Kawasaki Process Center
Number of operating days	182	182	182	182	182
(A) Revenues related to real estate leasing business	224,462	174,534	173,102	253,128	483,852
Rent revenue—real estate	224,462	174,534	173,102	253,128	483,852
(B) Expenses related to real estate leasing business	60,688	48,815	50,932	35,853	115,862
Property and facility management fees (Note 1)	1,400	1,298	1,406	1,400	1,580
Taxes and dues	34,150	14,713	21,657	29,635	47,046
Insurance expenses	4,052	2,544	3,226	4,807	8,546
Repairs and maintenance expenses	21,067	15,183	—	—	17,231
Land rent paid	—	15,056	24,625	—	6
Utilities	—	—	—	—	41,185
Other expenses related to rent business	18	19	17	11	266
(C) NOI (A – B)	163,774	125,719	122,169	217,275	367,989
(D) Depreciation	61,936	55,471	28,589	85,882	95,695
(E) Income from leasing business (C – D)	101,837	70,247	93,580	131,392	272,294
(F) Capital expenditures	—	1,856	—	—	—
(G) NCF (C – F)	163,774	123,862	122,169	217,275	367,989

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

(Unit: Thousands of yen)

Property number	L-2	L-3	M-1	Total
Property name	AEON Minami-Osaka RDC	Daiei Ibaraki Process Center	AEON Taman Universiti Shopping Centre (Note 2)	
Number of operating days	182	182	182	—
(A) Revenues related to real estate leasing business	289,620	251,197	26,989	20,978,086
Rent revenue—real estate	289,620	251,197	26,989	20,978,086
(B) Expenses related to real estate leasing business	36,169	59,253	1,747	7,023,906
Property and facility management fees (Note 1)	1,370	1,700	534	75,831
Taxes and dues	24,302	38,250	1,080	2,344,385
Insurance expenses	4,753	5,995	130	329,974
Repairs and maintenance expenses	5,724	13,286	—	1,474,448
Land rent paid	—	—	—	2,741,126
Utilities	—	—	—	41,185
Other expenses related to rent business	19	21	0	16,954
(C) NOI (A – B)	253,450	191,943	25,242	13,954,179
(D) Depreciation	67,797	21,750	6,650	5,316,896
(E) Income from leasing business (C – D)	185,653	170,192	18,591	8,637,283
(F) Capital expenditures	1,650	8,147	—	1,785,016
(G) NCF (C – F)	251,800	183,796	25,242	12,169,163

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

## (2) Capital expenditures for properties held

### (A) Schedule of capital expenditures

The following table shows major estimated capital expenditure for renovation work, etc. (mainly those exceeding ¥30 million per work) that AEON REIT plans to conduct for properties held as of July 31, 2024.

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

Property name (Location)	Purpose	Scheduled period	Estimated cost of construction works (Millions of yen)		
			Total amount	Payment for the period	Total amount already paid
AEON LakeTown mori (Koshigaya City, Saitama Pref.)	Revitalization	From July 2024 to October 2024	32	—	—
	Renewal of air-conditioning units	From March 2025 to May 2025	102	—	—
AEON MALL Morioka (Morioka City, Iwate Pref.)	Renewal of air-conditioning units	From March 2025 to May 2025	472	—	—
	Renewal of central monitoring boards	From March 2025 to May 2025	97	—	—
AEON MALL Mitouchihara (Mito City, Ibaraki Pref.)	Renewal of air-conditioning units	From September 2024 to November 2024	51	—	—
	Work on exterior renewal	From November 2024 to January 2025	77	—	—
	Renewal of air-conditioning units	From April 2025 to June 2025	61	—	—
AEON MALL Ota (Ota City, Gunma Pref.)	Renewal of disaster prevention facilities	From August 2023 to November 2024	318	—	—
AEON Sagamihara Shopping Center (Sagamihara City, Kanagawa Pref.)	Renewal of air-conditioning units	From September 2024 to November 2024	39	—	—
	Renewal of disaster prevention facilities	From September 2024 to December 2024	35	—	—
	Building renovation	From November 2024 to January 2025	49	—	—
	Renewal of sanitary facilities	From April 2025 to June 2025	61	—	—
	Building renovation	From May 2025 to July 2025	61	—	—
AEON MALL Suzuka (Suzuka City, Mie Pref.)	Renewal of hot/cold water generators	From December 2024 to February 2025	97	—	—
	Renewal of supply and exhaust facilities	From February 2025 to April 2025	30	—	—
	Work on exterior renewal	From March 2025 to May 2025	41	—	—
AEON MALL Hiezu (Saihaku County, Tottori Pref.)	Renewal of air-conditioning units	From February 2025 to April 2025	32	—	—
AEON MALL Kurashiki (Kurashiki City, Okayama Pref.)	Renewal of elevators	From August 2024 to August 2024	108	—	—
	Renewal of air-conditioning units	From September 2024 to November 2024	81	—	—
	Renewal of air-conditioning units	From October 2024 to December 2024	81	—	—
	Renewal of air-conditioning units	From March 2025 to May 2025	81	—	—
AEON MALL KYOTO (Kyoto City, Kyoto Pref.)	Renewal of air-conditioning units	From May 2025 to July 2025	44	—	—
AEON MALL Sapporo-Hiraoka (Sapporo City, Hokkaido Pref.)	Renewal of disaster prevention facilities	From May 2025 to July 2025	30	—	—
	Work for waterproofing	From May 2025 to July 2025	41	—	—
AEON MALL Kushiro-Showa (Kushiro City, Hokkaido Pref.)	Work on exterior renewal	From May 2024 to August 2024	22	—	—
	Renewal of air-conditioning units	From October 2024 to November 2024	131	—	—
	Renewal of electrical facilities	From December 2024 to December 2024	32	—	—
AEON MALL Shinrifu North Wing (Miyagi County, Miyagi Pref.)	Building renovation	From May 2024 to August 2024	36	—	—

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 Shinrifu North Wing (Miyagi County, Miyagi Pref.)	Renewal of elevator parts	From March 2024 To November 2024	51	—	—
	Building renovation	From October 2024 to February 2025	51	—	—
	Renewal of elevator parts	From April 2025 to June 2025	30	—	—
	Building renovation	From March 2025 to June 2025	154	—	—
	Renewal of disaster prevention facilities	From April 2025 to July 2025	25	—	—
AEON MALL Yokkaichi-Kita (Yokkaichi City, Mie Pref.)	Renewal of disaster prevention facilities	From January 2025 to March 2025	69	—	—
AEON MALL Yamatokoriyama (Yamatokoriyama City, Nara Pref.)	Renewal of central monitoring boards	From December 2024 to February 2025	33	—	—
AEON MALL Chiba Newtown (mall, and cinema and sports complex) (Inzai City, Chiba Pref.)	Renewal of disaster prevention facilities	From October 2024 to December 2024	48	—	—
	Revitalization	From October 2024 to December 2024	183	—	—
	Renewal of central monitoring boards	From April 2025 to June 2025	35	—	—
	Revitalization	From April 2025 to June 2025	123	—	—
AEON MALL Tomakomai (Tomakomai City, Hokkaido Pref.)	Renewal of air-conditioning units	From March 2024 to August 2024	44	—	—
	Rooftop waterproofing	From April 2025 to April 2025	40	—	—
	Renewal of air-conditioning units	From June 2025 to June 2025	45	—	—
AEON MALL Oyama (Oyama City, Tochigi Pref.)	Building renovation	From September 2024 to November 2024	40	—	—
	Renewal of air-conditioning units	From October 2024 to December 2024	41	—	—
AEON MALL Kahoku (Kahoku City, Ishikawa Pref.)	Renewal of air-conditioning units	From July 2024 to September 2024	40	—	—
	Renewal of air-conditioning units	From March 2025 to May 2025	70	—	—
AEON MALL Kyoto Gojo (Kyoto City, Kyoto Pref.)	Renewal of air-conditioning units	From January 2025 to April 2025	83	—	—
AEON MALL Narita (Narita City, Chiba Pref.)	Work on exterior renewal	From October 2024 to December 2024	56	—	—
	Revitalization	From October 2024 to December 2024	91	—	—
	Rooftop waterproofing	From February 2025 to April 2025	30	—	—
	Revitalization	From April 2025 to June 2025	122	—	—
	Revitalization	From April 2025 to June 2025	112	—	—
	Renewal of air-conditioning units	From April 2025 to June 2025	51	—	—
AEON MALL Miyakonojo Ekimae (Miyakonojo City, Miyazaki Pref.)	Renewal of disaster prevention facilities	From May 2024 to November 2024	30	—	—
	Renewal of air-conditioning units	From February 2025 to April 2025	116	—	—
AEON Minami-Osaka RDC (Sakai City, Osaka Pref.)	Renewal of disaster prevention facilities	From May 2025 to July 2025	36	—	—
AEON STYLE Kemigawahama (Chiba City, Chiba Pref.)	Renewal of elevators	From October 2024 to October 2024	41	—	—
AEON Chigasaki-Chuo Shopping Center (Chigasaki City, Kanagawa Pref.)	Renewal of sanitary facilities	From September 2024 to November 2024	46	—	—

(B) Capital expenditures during the period

For properties held by AEON REIT as of July 31, 2024, the major construction works that fall under capital expenditure (those exceeding ¥30 million per work) conducted by AEON REIT during the current fiscal period are shown in the table below. The capital expenditure for the current period amounted to ¥1,785 million. Combined with ¥1,474 million in repairs and maintenance that was classified as expenses as well as ¥353 million in loss on disaster (expenses for restoration work) from Typhoon Lan and the 2024 Noto Peninsula Earthquake, AEON REIT conducted construction works totaling ¥3,612 million in the current fiscal period.

Furthermore, the acquisition price (cost of construction work: ¥5,564 million, incidental expenses: ¥154 million) for the expansion building of AEON MALL Ota acquired during the current fiscal period is not included in the capital expenditures during the current period as the expenditure was due to the acquisition of a new building along with the succession of status in the construction contract.

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 March 2024 to June 2024	40
AEON MALL Morioka (Morioka City, Iwate Prefecture)	Renewal of feeder panel	From February 2024 to April 2024	49
AEON MALL Yamagata-Minami (Yamagata City, Yamagata Pref.)	Renewal of heat pumps	From January 2024 to March 2024	31
AEON MALL Ota (Ota City, Gunma Pref.)	Exterior wall painting	From January 2023 to March 2024	422
	Renewal of air-conditioning units	From March 2024 to July 2024	58
	Work on grating renovation	From January 2023 to March 2024	32
AEON MALL Chiba Newtown (Inzai City, Chiba Pref.)	Rooftop waterproofing	From June 2024 to July 2024	61
AEON MALL Narita (Narita City, Chiba Pref.)	Renewal of air-conditioning units	From June 2024 to July 2024	45
AEON MALL Suzuka (Suzuka City, Mie Pref.)	Revitalization	From December 2023 to May 2024	182
	Renewal of hot/cold water generators	From December 2023 to February 2024	99
	Work on top light renovation	From September 2023 to February 2024	52
AEON MALL Kurashiki (Kurashiki City, Okayama Pref.)	Renewal of air-conditioning units	From March 2024 to April 2024	38