

This is an English translation of summarized financial results prepared for reference purposes only. Should there be any inconsistency between the translation and the official Japanese text, the latter shall prevail.

March 17, 2022

Financial Report for the Fiscal Period Ended January 31, 2022 (August 1, 2021 – January 31, 2022)

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
 Contact: Tomohiro Itosaka, Managing Director in charge of Finance and Administration
 Phone: +81-3-5283-6360

Scheduled date to file securities report: April 27, 2022
 Scheduled date to commence distribution payments: April 20, 2022

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 January 31, 2022 (August 1, 2021 – January 31, 2022)

(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	%
January 31, 2022	19,928	12.6	7,691	14.0	6,767	13.0	6,660	13.5
July 31, 2021	17,696	(0.0)	6,749	(0.8)	5,988	0.4	5,869	(1.6)

Fiscal period ended	Net income per unit	Return on equity (ROE)	Ordinary income to total assets	Ordinary income to operating revenue
	Yen	%	%	%
January 31, 2022	3,283	3.0	1.7	34.0
July 31, 2021	3,133	2.8	1.6	33.8

(2) Distributions

Fiscal period ended	Distribution per unit (excluding distributions in excess of retained earnings)	Total cash distributions (excluding distributions in excess of retained earnings)	Distribution in excess of retained earnings per unit	Total cash distributions in excess of retained earnings	Payout ratio	Cash distributions to net assets
	Yen	Millions of yen	Yen	Millions of yen	%	%
January 31, 2022	3,315	6,777	0	0	101.8	2.9
July 31, 2021	3,200	5,994	–	–	102.1	2.8

(Note 1) Distribution per unit for the fiscal period ended January 31, 2022, is calculated by dividing the amount, which is obtained by adding the amount of provision of distribution reserve of ¥116 million from unappropriated retained earnings of ¥6,660 million, by the total number of investment units issued and outstanding.

(Note 2) Distribution per unit for the fiscal period ended July 31, 2021, is calculated by dividing the amount, which is obtained by adding the amount of provision of distribution reserve of ¥124 million from unappropriated retained earnings of ¥5,870 million, by the total number of investment units issued and outstanding.

(Note 3) Payout ratio for the fiscal period ended January 31, 2022, is calculated by using the following formula:
 Payout ratio = Total cash distributions (excluding distributions in excess of retained earnings) / Net income x 100

(3) Financial position

	Total assets	Net assets	Equity ratio	Net assets per unit
As of	Millions of yen	Millions of yen	%	Yen
January 31, 2022	432,702	236,495	54.7	115,675
July 31, 2021	385,982	210,913	54.6	112,588

(Reference) Equity As of January 31, 2022: ¥236,495 million As of July 31, 2021: ¥210,913 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
January 31, 2022	9,698	(51,047)	38,162	23,481
July 31, 2021	10,691	(2,473)	(5,962)	26,668

2. Forecasts of performance for the fiscal periods ending July 31, 2022 (February 1, 2022 – July 31, 2022) and January 31, 2023 (August 1, 2022 – January 31, 2023)

(Percentages show changes from the previous period)

Fiscal period ending	Operating revenue		Operating income		Ordinary income		Net income		Distributions per unit (excluding distributions in excess of retained earnings)	Distributions in excess of retained earnings per unit
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	Yen
July 31, 2022	19,933	0.0	7,505	(2.4)	6,621	(2.2)	6,726	1.0	3,270	0
January 31, 2023	19,934	0.0	7,587	1.1	6,621	0.0	6,620	(1.6)	3,270	0

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

For the fiscal period ending July 31, 2022: ¥3,289

For the fiscal period ending January 31, 2023: ¥3,238

(Note) Distribution per unit for the fiscal periods ending July 2022 and January 2023 is calculated on the assumption that ¥37 million will be provided as distribution reserve for the former and part of the provision of distribution reserve (¥67 million) will be reversed and distributed for the latter.

*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: Yes
- 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 January 31, 2022 2,044,467 units
 - As of July 31, 2021 1,873,317 units
- Number of treasury investment units at end of period
 - As of January 31, 2022 0 units
 - As of July 31, 2021 0 units

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

* Status of audit procedures

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

* Special notes

Forward-looking statements presented in this financial report, including forecasts of performance, are based on information currently available to AEON REIT and on certain assumptions AEON REIT deems to be reasonable. As such, actual operating and other results may differ materially from these forecasts as a consequence of numerous factors. Furthermore, these forecasts shall not be construed as a guarantee of the distribution amount. Please refer to “Assumptions for Forecasts of Performance for the Fiscal Periods Ending July 2022 (February 1, 2022 – July 31, 2022) and January 2023 (August 1, 2022 – January 31, 2023)” on pages 7 and 8 for information on assumptions for the forecasts of operating results.

1. Status of Asset Management

(1) Status of Asset Management

i) Summary of results for the current fiscal period

(A) Overview of AEON REIT

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

AEON REIT was established on November 30, 2012, in accordance with the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951, as amended; hereinafter, the “Investment Trusts Act”), with AEON REIT Management Co., Ltd. (hereinafter, the “Asset Manager”) serving as the organizer. AEON REIT was listed on the Real Estate Investment Trust Securities Market (J-REIT market) of the Tokyo Stock Exchange (securities code: 3292) on November 22, 2013. In the fiscal period under review (18th fiscal period), AEON REIT issued new investment units in August and September 2021 (total paid-in amount: ¥24,916 million). Using the procured funds in combination with ¥43,100 million in new debt financing, AEON REIT acquired 4 properties comprising AEON MALL Takasaki, AEON MALL Narita, AEON MALL Shinkomatsu and AEON MALL Sagayamato (total acquisition price: ¥50,235 million).

As a result, the real estate held by AEON REIT as of January 31, 2022, totaled 47 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 ¥447,023 million. Total leasable area is 4,056,102.68 m² and the occupancy rate of the entire portfolio is 100.0% as of the same date.

(B) Operating environment and performance

(a) Operating environment

In the fiscal period under review, the Japanese economy saw the real GDP growth rate (first preliminary estimates) for October through December 2021 rise by 1.3% quarter on quarter, the first positive growth in two quarters, under the continued impact of the novel coronavirus infection (COVID-19). This was because consumer spending recovered in accordance with an increase in people’s mobility as the government’s declaration of a state of emergency was lifted and the spread of COVID-19 calmed, and because restrictions on the supply of automobiles started to be relaxed, among other reasons. In Malaysia, the real GDP for the fourth quarter of 2021 rose 3.6% year on year, mainly due to consumer spending, which constitutes more than half of the GDP, leading normalization in accordance with the expansion of economic activities.

The real estate investment market remained on a strong note through the 18th fiscal period, as it did in the previous fiscal period, against the backdrop of continued monetary easing. Although the market may feel overheated, differing by asset type and by area due to the impact of COVID-19, 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, investor sentiment cooled after entering 2022, given concerns about interest rate hikes and higher volatility. This and other factors kept the market on a weak note, with the Tokyo Stock Exchange (TSE) REIT Index standing at 1,946.81 points (based on closing price) at the end of the 18th fiscal period.

(b) Performance

In the 18th fiscal period, AEON REIT continued steady external growth as it acquired 4 properties comprising AEON MALL Takasaki, AEON MALL Narita, AEON MALL Shinkomatsu and AEON MALL Sagayamato (total acquisition price: ¥50,235 million) in August 2021 using funds procured through issuance of new investment units as well as through new debt financing. With the acquisition of these properties, AEON REIT expanded its portfolio size to ¥447.0 billion.

With regard to internal growth, AEON REIT conducted revitalization work for AEON MALL Suzuka where the section that had been used for events or as a rest area was changed to an eatery and shop area and locally popular stores and nationwide brand restaurants were invited. At AEON Ueda Shopping Center, exterior wall painting was conducted for image enhancement and functional improvement of the property, thereby achieving upward revision of rents there. As such, AEON REIT is promoting investments aimed at reinforcing competitiveness as well as maintaining and enhancing the functions of its properties.

(C) Financing

(a) Issuance of new investment units

AEON REIT conducted additional issuance of new investment units to allocate funds for part of the acquisition of AEON MALL Takasaki, AEON MALL Narita, AEON MALL Shinkomatsu and AEON MALL Sagayamato (total acquisition price: ¥50,235 million); issuance of new investment units through public offering (163,000 units) with August 17, 2021 as the payment date, and issuance of new investment units through third-party allotment (8,150 units) with September 14, 2021, as the payment date. Accordingly, the total number of investment units issued and outstanding as of the end of the 18th fiscal period ended January 31, 2022, is 2,044,467 units.

(b) Debt financing, etc.

In the 18th fiscal period, AEON REIT conducted debt financing totaling ¥43,100 million on August 4, 2021, to partly fund the acquisition of the 4 properties it acquired in August 17, 2021, and related expenses. Of the debt financing, AEON REIT made early repayment of the short-term loans payable amounting to ¥23,800 million on September 21, 2021, using the proceeds that were paid in on August 17, 2021, as described in (C) Financing, (a) Issuance of new investment units above, and combining with cash on hand.

Moreover, AEON REIT conducted debt financing of ¥19,100 million in total to fund the refinance of borrowings of ¥19,100 million maturing on October 20, 2021.

As of January 31, 2022, AEON REIT had a balance of interest-bearing debt totaling ¥179,100 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 44.7%.

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 January 31, 2022. 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 89.2% 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.

As of January 31, 2022, 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. During the 18th fiscal period, in an effort to further promote its initiatives on ESG, AEON REIT identified its materiality (important agendas) and expressed support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

In addition, with the endeavors it has made to date recognized by external institutions, AEON REIT obtained “Green Star” in the GRESB (Global Real Estate Sustainability Benchmark) Real Estate Assessment in October 2021, marking the sixth consecutive year of recognition with the highest ranking. AEON REIT also received “Five Star,” which is given only to high-ranking entities on overall score, as it did in last year.

As for assessment for properties, AEON REIT obtained DBJ Green Building Certification for 7 properties in total (first obtainment for 4 properties and re-obtainment for 3 properties) in January 2022. As of the end of the 18th fiscal period (January 31, 2022), AEON REIT has obtained the DBJ Green Building Certification for 28 properties, BELS certification for 1 property, and CASBEE Certification for Buildings for 4 properties.

Other than the above, the Asset Manager was certified by the CERTIFIED 2022 Health & Productivity Management Outstanding Organizations Recognition Program (for SMEs) in March 2022, marking the third consecutive year with the certification. Both AEON REIT and the Asset Manager will continue to take initiatives on ESG issues in a proactive manner.

(E) Results and cash distribution

As a result of the above operations, AEON REIT posted operating revenue of ¥19,928 million, operating income of ¥7,691 million, ordinary income of ¥6,767 million, and net income of ¥6,660 million for the 18th fiscal period ended January 31, 2022. Note that AEON REIT recorded ¥106 million in total, which was spent on work related to damage caused by an earthquake that occurred on October 7, 2021, with the epicenter in the northwestern part of Chiba Prefecture, as extraordinary losses.

As for cash distribution for the 18th fiscal period, distribution per unit came to ¥3,315 by combining ¥6,660 million in unappropriated retained earnings and ¥116 million reversed from distribution reserve (the amount obtained by deducting ¥76 million, which is an increase in net income through asset management, from ¥192 million arrived at by adding the effect of adoption of the Accounting Standard for Asset Retirement Obligations as non-operating expenses to extraordinary losses comprising loss on disaster and provision for loss on disaster).

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 18th fiscal period, however, with ¥350 million in distribution reserve it has provided for securing stable distributions, AEON REIT will not distribute cash in excess of earnings in accordance with Article 2 in the Act on Investment Trusts and Investment Corporations.

ii) Outlook for the next fiscal period

(A) Outlook for overall performance

As of the end of February 2022, the number of people infected by COVID-19 remains at a high level both in Japan and Malaysia, which still poses risks accompanying changes in the infection status going forward. Under such circumstances, the upcoming external environment is becoming increasingly opaque, including higher interest rates and such global geopolitical risks as the situation in Ukraine.

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

(B) Future investment policy

(a) Basic policy

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

repairs and maintenance measures, and optimize and streamline management costs.

(b) Investment policy and growth strategy

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

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

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

(c) Financial strategy

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

iii) Significant events after balance sheet date

Not applicable.

**Assumptions for Forecasts of Performance for the Fiscal Periods Ending
July 2022 (February 1, 2022 – July 31, 2022) and January 2023 (August 1, 2022 – January 31, 2023)**

Item	Assumptions
Accounting period	<ul style="list-style-type: none"> ● Fiscal period ending July 31, 2022 (181 days from February 1, 2022, to July 31, 2022, the 19th fiscal period) ● Fiscal period ending January 31, 2023 (184 days from August 1, 2022, to January 31, 2023, the 20th fiscal period)
Portfolio	<ul style="list-style-type: none"> ● The number of investment assets is assumed to be 47 (including AEON MALL SEREMBAN 2 that AEON REIT owns through the Overseas SPC) AEON REIT owns as of March 17, 2022 (hereinafter, the “assets currently held”). ● For the forecasts of performance, it is assumed that, through the end of the 20th fiscal period ending January 2023, there will be no change (acquisition of new properties or sale of the assets currently held, etc.) in the number of investment assets. ● The actual figure may vary due to acquisition of new properties or disposal of owned properties, etc. not assumed above.
Operating revenue	<ul style="list-style-type: none"> ● Rent revenue – real estate from the assets currently held has been calculated by taking into account such factors as the relevant lease agreements effective as of March 17, 2022, 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 July 31, 2022 (19th fiscal period), and ending January 31, 2023 (20th fiscal period), respectively. Furthermore, the exchange rate of Malaysia is assumed to be Malaysian Ringgit 1 = JPY 24.50. It is assumed that there is no delinquencies or non-payment of rents by tenants.
Operating expenses	<ul style="list-style-type: none"> ● Operating expenses mainly comprise expenses related to rent business. Those expenses, excluding depreciation expenses, are calculated on the basis of historical data and by reflecting variable factors of expenses for the assets currently held. ● Generally, fixed asset taxes, city planning taxes and depreciable asset taxes for the acquired properties are prorated based on the period of ownership with the previous owners and settled. The amount equivalent to such settlement is included in the acquisition costs and therefore not recognized as expenses for the fiscal period in which the acquisition takes place. As for fixed asset taxes, city planning taxes and depreciable asset taxes for the assets currently held, AEON REIT assumes to record ¥2,260 million for the 19th fiscal period and ¥2,260 million for the 20th fiscal period as expenses. ● For repairs and maintenance expenses for buildings, amounts assumed to be required in each fiscal period is recorded as expenses, based on the medium- to long-term repair and maintenance plan formulated by the asset management company (AEON Reit Management Co., Ltd.). However, actual repairs and maintenance expenses in each fiscal period may differ substantially from the forecasts, as (i) there is no denying the possibility of repairs and maintenance expenses being incurred urgently due to damages to buildings caused by unforeseeable factors, (ii) generally, incurred expenses differ substantially from one fiscal period to another, and (iii) expenses are not incurred on a regular basis, among other reasons. ● Depreciation of property and equipment is computed by the straight-line method, including related expenses, and is assumed to be ¥5,180 million for the 19th fiscal period and ¥5,176 million for the 20th fiscal period.
Non-operating expenses	<ul style="list-style-type: none"> ● Interest expenses and other borrowing-related expenses are assumed to be ¥867 million for the 19th fiscal period and ¥956 million for the 20th fiscal period.
Borrowings	<ul style="list-style-type: none"> ● As of March 17, 2022, AEON REIT has interest-bearing debt totaling ¥179,100 million. However, for the long-term loans payable (¥19,300 million) borrowed on August 4, 2021, AEON REIT assumes to make early repayment of the entire amount on March 22, 2022, by conducting debt financing on the same day. ● It is assumed that AEON REIT will refinance ¥20,800 million in borrowings that will mature in the 20th fiscal period (repayment date: October 20, 2022) for the same amount. ● LTV ratio is anticipated to be approximately 45% as of the end of the 19th fiscal period (July 31, 2022) and approximately 45% as of the end of the 20th fiscal period (January 31, 2023). ● LTV is calculated by using the following formula: LTV = Total interest-bearing debt plus tenant leasehold and security deposits (including tenant leasehold and security deposits in trust) / Total assets × 100

Item	Assumptions
Investment units	<ul style="list-style-type: none"> ● Distribution per unit for the 19th and 20th fiscal periods is calculated based on the assumption that the total number of investment units issued and outstanding will be 2,044,467 units as of March 17, 2022. Furthermore, it is assumed that there will be no issuance of new investment units through the end of the 20th fiscal period, without any change in the number of investment units.
Distribution per unit	<ul style="list-style-type: none"> ● Distribution per unit (excluding distribution in excess of retained earnings) has been calculated based on the cash distribution policy prescribed in the Articles of Incorporation of AEON REIT. ● Fluctuations in rent revenue due to changes in the portfolio and tenants, unforeseeable repairs and maintenance incurred and other various factors may lead to changes in the amount of distribution per unit. ● Furthermore, with regard to amortization of fixed-term leasehold rights and asset retirement obligations upon their recording (hereinafter, “amortization of leasehold rights, etc.”), the impact of the amortization of leasehold rights, etc. will become larger due to the acquisition of AEON MALL Shinkomatsu. Accordingly, AEON REIT started recording amortization of leasehold rights, etc. from the 18th fiscal period ended January 2022. These expenses, for which reversal of distribution reserve is assumed, are calculated on the assumption of reserving ¥37 million (the amount obtained by adding ¥67 million as reversal through amortization of leasehold rights, etc., and ¥104 million(estimate) as reserve of insurance income for the damages caused by an earthquake that occurred on October 7, 2021, with the epicenter in the northwestern part of Chiba Prefecture) for the 19th fiscal period and ¥67 million for the 20th fiscal period.
Distribution in excess of retained earnings per unit	<ul style="list-style-type: none"> ● It is assumed that there will be no payment of cash distribution in excess of retained earnings (distribution in excess of retained earnings per unit).
Others	<ul style="list-style-type: none"> ● It is assumed that no revisions that may impact the abovementioned projections will be made to laws and regulations, tax systems, accounting standards, securities listing regulations and the rules of The Investment Trusts Association, Japan, or others. ● It is assumed that no unforeseeable significant changes will occur in general economic trends or conditions in the real estate market, etc. ● It is assumed that the negative impact from the spread of COVID-19 will not become even more serious, among other developments.

2. Financial Statements

(1) Balance Sheets

(Unit: Thousands of yen)

	Previous fiscal period (As of July 31, 2021)	Current fiscal period (As of January 31, 2022)
Assets		
Current assets		
Cash and deposits	18,185,810	13,989,226
Cash and deposits in trust	8,482,986	9,492,028
Prepaid expenses	381,772	654,433
Income taxes receivable	18	18
Consumption taxes receivable	–	2,071,557
Other	34,841	38,207
Total current assets	27,085,429	26,245,471
Non-current assets		
Property and equipment		
Land	108,463	108,463
Buildings in trust	215,645,406	243,817,662
Accumulated depreciation	(54,971,666)	(60,054,773)
Buildings in trust, net	160,673,740	183,762,888
Structures in trust	1,450,642	1,975,194
Accumulated depreciation	(1,085,008)	(1,169,581)
Structures in trust, net	365,633	805,612
Tools, furniture and fixtures in trust	28,611	28,611
Accumulated depreciation	(10,434)	(12,959)
Tools, furniture and fixtures in trust, net	18,176	15,652
Land in trust	136,266,032	141,086,856
Construction in progress in trust	242	–
Total property and equipment	297,432,288	325,779,474
Intangible assets		
Leasehold interests in trust	54,532,516	73,612,539
Total intangible assets	54,532,516	73,612,539
Investments and other assets		
Shares of subsidiaries and associates	6,078,453	6,078,453
Long-term prepaid expenses	516,138	626,900
Lease and guarantee deposits	10,460	10,460
Total investments and other assets	6,605,052	6,715,815
Total non-current assets	358,569,857	406,107,828
Deferred assets		
Investment unit issuance expenses	13,672	55,228
Investment corporation bond issuance costs	313,609	294,148
Total deferred assets	327,282	349,377
Total assets	385,982,569	432,702,678

(Unit: Thousands of yen)

	Previous fiscal period (As of July 31, 2021)	Current fiscal period (As of January 31, 2022)
Liabilities		
Current liabilities		
Operating accounts payable	333,281	1,417,271
Current portion of long-term loans payable	19,100,000	40,100,000
Accounts payable - other	394,355	473,294
Accrued expenses	100,363	104,429
Income taxes payable	605	605
Accrued consumption taxes	652,815	-
Provision for loss on disaster	4,326	49,456
Other	288,996	284,998
Total current liabilities	20,874,742	42,430,055
Non-current liabilities		
Investment corporation bond	51,000,000	51,000,000
Long-term loans payable	89,700,000	88,000,000
Tenant leasehold and security deposits	2,628	2,628
Tenant leasehold and security deposits in trust	13,492,071	14,320,296
Asset retirement obligations	-	454,327
Total non-current liabilities	154,194,700	153,777,252
Total liabilities	175,069,443	196,207,307
Net assets		
Unitholders' equity		
Unitholders' capital	208,093,893	233,010,081
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	204,568,196	229,484,384
Surplus		
Voluntary reserve		
Distribution reserve	474,397	350,316
Total voluntary reserve	474,397	350,316
Unappropriated retained earnings (undisposed loss)	5,870,533	6,660,669
Total surplus	6,344,930	7,010,985
Total unitholders' equity	210,913,126	236,495,370
Total net assets	*1 210,913,126	*1 236,495,370
Total liabilities and net assets	385,982,569	432,702,678

(2) Statements of Income

	(Unit: Thousands of yen)			
	Previous fiscal period (From February 1, 2021, to July 31, 2021)		Current fiscal period (From August 1, 2021, to January 31, 2022)	
Operating revenue				
Rent revenue - real estate	*1	17,578,907	*1	19,789,824
Gain on sale of real estate properties	*2	2,741		-
Dividends received	*3	114,950	*3	139,076
Total operating revenue		17,696,599		19,928,901
Operating expenses				
Expenses related to rent business	*1	9,957,511	*1	11,163,686
Asset management fee		803,787		860,291
Asset custody fee		19,907		22,152
Administrative service fees		57,753		65,335
Directors' compensation		3,600		4,500
Taxes and dues		5,299		7,118
Other operating expenses		98,945		114,164
Total operating expenses		10,946,806		12,237,248
Operating income		6,749,792		7,691,652
Non-operating income				
Interest income		122		121
Refund of unpaid distributions		885		973
Insurance income		39,177		-
Foreign exchange gains		-		484
Total non-operating income		40,185		1,579
Non-operating expenses				
Interest expenses		393,751		447,298
Interest expenses on investment corporation bonds		215,617		217,522
Amortization of investment unit issuance expenses		6,310		15,883
Investment unit issuance expenses		-		2,942
Amortization of investment corporation bond issuance costs		19,461		19,461
Borrowing related expenses		138,436		136,085
Other		27,971		86,108
Total non-operating expenses		801,549		925,302
Ordinary income		5,988,428		6,767,929
Extraordinary income				
Insurance income	*4	385,495		-
Total extraordinary income		385,495		-
Extraordinary losses				
Loss on disaster	*5	502,835	*5	57,198
Provision for loss on disaster	*5	1,137	*5	49,456
Total extraordinary losses		503,972		106,654
Income (loss) before income taxes		5,869,952		6,661,274
Income taxes - current		605		605
Total income taxes		605		605
Net income (loss)		5,869,347		6,660,669
Retained earnings brought forward		1,186		-
Unappropriated retained earnings (undisposed loss)		5,870,533		6,660,669

(3) Statements of Unitholders' Equity

Previous fiscal period (From February 1, 2021, to July 31, 2021)

(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	208,093,893	(3,525,697)	(3,525,697)	204,568,196	474,397	474,397
Changes of items during period						
Dividends of surplus						
Net income						
Total changes of items during period	-	-	-	-	-	-
Balance at end of current period	*1 208,093,893	(3,525,697)	(3,525,697)	204,568,196	474,397	474,397

	Unitholders' equity			Total net assets
	Surplus		Total unitholders' equity	
	Unappropriated retained earnings (undisposed loss)	Total surplus		
Balance at beginning of current period	5,965,827	6,440,224	211,008,421	211,008,421
Changes of items during period				
Dividends of surplus	(5,964,641)	(5,964,641)	(5,964,641)	(5,964,641)
Net income	5,869,347	5,869,347	5,869,347	5,869,347
Total changes of items during period	(95,294)	(95,294)	(95,294)	(95,294)
Balance at end of current period	5,870,533	6,344,930	210,913,126	210,913,126

Current fiscal period (From August 1, 2021, to January 31, 2022)

(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	208,093,893	(3,525,697)	(3,525,697)	204,568,196	474,397	474,397
Changes of items during period						
Issuance of new investment units	24,916,188			24,916,188		
Reversal of distribution reserve					(124,080)	(124,080)
Dividends of surplus						
Net income						
Total changes of items during period	24,916,188			24,916,188	(124,080)	(124,080)
Balance at end of current period	*1 233,010,081	(3,525,697)	(3,525,697)	229,484,384	350,316	350,316

	Unitholders' equity			Total net assets
	Surplus		Total unitholders' equity	
	Unappropriated retained earnings (undisposed loss)	Total surplus		
Balance at beginning of current period	5,870,533	6,344,930	210,913,126	210,913,126
Changes of items during period				
Issuance of new investment units			24,916,188	24,916,188
Reversal of distribution reserve	124,080			
Dividends of surplus	(5,994,614)	(5,994,614)	(5,994,614)	(5,994,614)
Net income	6,660,669	6,660,669	6,660,669	6,660,669
Total changes of items during period	790,136	666,055	25,582,243	25,582,243
Balance at end of current period	6,660,669	7,010,985	236,495,370	236,495,370

(4) Statements of Cash Distributions

(Unit: Yen)

	Previous fiscal period (From February 1, 2021, to July 31, 2021)	Current fiscal period (From August 1, 2021, to January 31, 2022)
I Unappropriated retained earnings (undisposed loss)	5,870,533,431	6,660,669,847
II Reversal of voluntary reserve Reversal of distribution reserve	124,080,969	116,738,258
III Total cash distributions [Distribution per unit]	5,994,614,400 [3,200]	6,777,408,105 [3,315]
IV Retained earnings brought forward	-	-
Calculation method for distributions	<p>Pursuant to the policy for cash distribution set forth in Article 35, paragraph 1 of the Articles of Incorporation of AEON REIT, distributions shall be limited to the amount within profits, and also the amount of earnings in excess of an amount equivalent to ninety hundredths (90/100) of distributable profits, as stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation. In consideration of this policy, AEON REIT will pay distributions of profits at the total amount of ¥5,994,614,400, which is obtained by combining ¥5,870,533,431 in unappropriated retained earnings and ¥124,080,969 reversed from distribution reserve (the amount obtained by adding ¥118,476,800, which is calculated by subtracting the extraordinary income comprising insurance income for disasters from the extraordinary losses comprising loss on disaster and provision for loss on disaster, and ¥69,432,064, which is a temporary decrease in rental income due to temporary suspension of operations at AEON MALL Shinrifu North Wing for renovation work, and deducting ¥63,827,895 which is an increase in net income through asset management) and which is the amount that does not exceed the combined amount and is the greatest value among integral multiples of 1,873,317, which is the total number of investment units issued and outstanding; provided, however, that AEON REIT will not pay the portion of the amount that exceeds the profits defined in Article 35, paragraph 2 of the Articles of Incorporation of AEON REIT.</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 ¥6,777,408,105, which is obtained by combining ¥6,660,669,847 in unappropriated retained earnings and ¥116,738,258 reversed from provision of distribution reserve (the amount obtained by deducting ¥76,025,206, which is an increase in net income through asset management, from ¥192,763,464 arrived at by adding the effect of adoption of the Accounting Standard for Asset Retirement Obligations as non-operating expenses to extraordinary losses comprising loss on disaster and provision for loss on disaster), and which is the amount that does not exceed this combined amount and is the greatest value among integral multiples of 2,044,467, which is the total number of investment units issued and outstanding. Furthermore, AEON REIT shall distribute cash in excess of earnings for each fiscal period as a rule pursuant to the policy for cash distribution in excess of earnings as stipulated in Article 35-2 of its Articles of Incorporation. For the 18th fiscal period, however, with ¥350,316,058 in distribution reserve it has provided for securing stable distributions, AEON REIT will not distribute cash in excess of earnings in accordance with Article 2 in the Act on Investment Trusts and Investment Corporations.</p>

(5) Statements of Cash Flows

(Unit: Thousands of yen)

	Previous fiscal period (From February 1, 2021, to July 31, 2021)	Current fiscal period (From August 1, 2021, to January 31, 2022)
Cash flows from operating activities		
Income before income taxes	5,869,952	6,661,274
Depreciation	4,695,625	5,213,564
Amortization of investment corporation bond issuance costs	19,461	19,461
Amortization of investment unit issuance expenses	6,310	15,883
Interest income	(122)	(121)
Interest expenses	609,369	664,820
Insurance income	(424,672)	–
Loss on disaster	502,835	57,198
(Decrease) increase in provision for loss on disaster	(22,103)	45,130
(Increase) in consumption taxes receivable	–	(2,071,557)
Increase (decrease) in accrued consumption taxes	179,234	(652,815)
Decrease (increase) in prepaid expenses	202,368	(272,660)
Decrease from sale of property and equipment in trust	47,212	–
(Decrease) increase in operating accounts payable	(584,909)	810,235
(Decrease) increase in accounts payable - other	(5,911)	78,939
Decrease (increase) in long-term prepaid expenses	99,056	(110,762)
Other, net	63,861	81,338
Subtotal	11,257,567	10,539,929
Interest income received	122	121
Interest expenses paid	(610,076)	(660,754)
Proceeds from insurance income	424,672	–
Payments for loss on disaster	(379,951)	(180,082)
Income taxes paid	(572)	(604)
Net cash provided by operating activities	10,691,762	9,698,609
Cash flows from investing activities		
Purchase of property and equipment in trust	(2,473,446)	(32,675,047)
Purchase of intangible assets in trust	–	(19,200,868)
Proceeds from tenant leasehold and security deposits in trust	–	828,225
Net cash used in investing activities	(2,473,446)	(51,047,690)
Cash flows from financing activities		
Proceeds from short-term loans payable	–	23,800,000
Repayments of short-term loans payable	–	(23,800,000)
Proceeds from long-term loans payable	–	38,400,000
Repayments of long-term loans payable	–	(19,100,000)
Proceeds from issuance of investment units	–	24,858,748
Dividends paid	(5,962,416)	(5,996,712)
Net cash (used in) provided by financing activities	(5,962,416)	38,162,035
Effect of exchange rate change on cash and cash equivalents	223	(495)
Net increase (decrease) in cash and cash equivalents	2,256,123	(3,187,541)
Cash and cash equivalents at beginning of period	24,412,672	26,668,796
Cash and cash equivalents at end of period	*1 26,668,796	*1 23,481,254

(6) Notes on Assumption of Going Concern

Not applicable.

(7) Notes on Significant Accounting Policies

1. Valuation standard and method for securities	<p>Securities</p> <p>Shares of subsidiaries and associates</p> <p>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.</p>								
2. Method of depreciation of non-current assets	<p>(1) Property and equipment</p> <p>Depreciation of property and equipment is computed by the straight-line method over the following useful lives:</p> <table><tr><td>Buildings in trust</td><td>3 to 51 years</td></tr><tr><td>Structures in trust</td><td>3 to 35 years</td></tr><tr><td>Tools, furniture and fixtures in trust</td><td>5 to 6 years</td></tr></table> <p>(2) Intangible assets</p> <p>Intangible assets are amortized by the straight-line method.</p> <p>The useful lives of intangible assets are as follows:</p> <table><tr><td>Leasehold interests in trust</td><td>38 to 46 years</td></tr></table> <p>(3) Long-term prepaid expenses</p> <p>Long-term prepaid expenses are amortized by the straight-line method.</p>	Buildings in trust	3 to 51 years	Structures in trust	3 to 35 years	Tools, furniture and fixtures in trust	5 to 6 years	Leasehold interests in trust	38 to 46 years
Buildings in trust	3 to 51 years								
Structures in trust	3 to 35 years								
Tools, furniture and fixtures in trust	5 to 6 years								
Leasehold interests in trust	38 to 46 years								
3. Accounting method for deferred assets	<p>(1) Investment unit issuance expenses</p> <p>Investment unit issuance expenses are capitalized and amortized by the straight-line method over three years.</p> <p>(2) Investment corporation bond issuance costs</p> <p>Investment corporation bond issuance costs are capitalized and amortized by the straight-line method over the respective terms of the investment corporation bonds.</p>								
4. Standards for recognition of allowances	<p>Provision for loss on disaster</p> <p>Of the expenses for restoration work for the properties damaged by an earthquake off the coast of Fukushima Prefecture, the amount reasonably estimated as of the end of the fiscal period ended July 31, 2021, was recorded as allowance for loss on disaster.</p> <p>Of the expenses for restoration work for the properties damaged by an earthquake with the epicenter in the northwestern part of Chiba Prefecture, the amount reasonably estimated as of the end of the fiscal period ended January 31, 2022, was recorded as allowance for loss on disaster.</p>								
5. Conversion of assets and liabilities in foreign currency into Japanese yen	<p>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>								

<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 accounting period is recorded as expenses related to rent business.</p> <p>The amount equivalent to property-related taxes to be paid by AEON REIT in the first year for acquisition of real properties or trust beneficiary rights in real estate is not recorded as expenses but included in the acquisition costs for the related properties.</p> <p>In the current fiscal period, the amount equivalent to property-related taxes included in the acquisition costs for the related real properties was ¥198,278 thousand, and in the previous fiscal period, the amount equivalent to property-related taxes included in the acquisition costs for the related real properties was ¥8,007 thousand.</p>
<p>7. Method of hedge accounting</p>	<p>(1) Method of hedge accounting</p> <p>Special treatment is applied for interest rate swaps.</p> <p>(2) Hedging instruments and hedged items</p> <p>Hedging instruments: Interest rate swap transactions</p> <p>Hedged items: Interest on borrowings</p> <p>(3) Hedging policy</p> <p>AEON REIT conducts derivative transactions for the purpose of hedging risks provided for in the Articles of Incorporation of AEON REIT pursuant to the regulations that stipulate the basic policy of risk management.</p> <p>(4) Method of assessing hedge effectiveness</p> <p>The assessment of hedge effectiveness is omitted since the interest rate swaps satisfy the requirements for special treatment.</p>
<p>8. Scope of cash and cash equivalents in the statement of cash flows</p>	<p>Cash and cash equivalents in the statement of cash flows consist of cash on hand, cash in trust, demand deposits, deposits in trust, and highly liquid short-term investments that are readily convertible, bear little risk in price fluctuations, and mature within three months of the date of acquisition.</p>

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

(8) Notes on Significant Accounting Estimates

Previous fiscal period (From February 1, 2021, to July 31, 2021)

Not applicable.

Current fiscal period (From August 1, 2021, to January 31, 2022)

Impairment Losses of Non-Current Assets

1. Balance of subject assets

	(Unit: Thousands of yen)
Impairment losses	Not applicable
Property and equipment	325,779,474
Intangible assets	73,612,539

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

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

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

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

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

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

(9) Notes on Changes in Accounting Policies

1. Application of Accounting Standard for Revenue Recognition, etc.

AEON REIT has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29 (revised 2020), issued on March 31, 2020) and the “Implementation Guidance on Accounting Standard for Revenue Recognition” (ASBJ Guidance No. 30 (revised 2021), issued on March 26, 2021) from the beginning of the 18th fiscal period, and decided to recognize revenue at the amount expected to be received in exchange for the promised goods or services when control of the goods or services is transferred to the customer. Furthermore, in accordance with the transitional treatment stipulated in Paragraph 89-3 of the Accounting Standard for Revenue Recognition, the note related to Revenue Recognition for the previous fiscal period is not shown. The impact of this change on the financial statements is immaterial.

2. Application of Accounting Standard for Fair Value Measurement, etc.

AEON REIT has applied the “Accounting Standard for Fair Value Measurement” (ASBJ Statement No. 30, issued on July 4, 2019), etc. from the beginning of the 18th fiscal period, and decided to adopt the new accounting policies set forth by the said Accounting Standard, etc. going forward in accordance with the transitional treatment as stipulated in Paragraph 19 of the Accounting Standard for Fair Value Measurement and Paragraph 44-2 of the “Accounting Standard for Financial Instruments” (ASBJ Statement No. 10 (revised 2019), issued on July 4, 2019). The impact of this change on the financial statements is minimal.

(10) Notes on Changes in Presentation Methods

In view of the importance of evaluation of non-current assets, “Notes on Significant Accounting Estimates” is stated from the 18th fiscal period.

(11) Notes to Financial Statements

Notes to Balance Sheets

(Unit: Thousands of yen)

	Previous fiscal period (As of July 31, 2021)		Current fiscal period (As of January 31, 2022)	
*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 February 1, 2021, to July 31, 2021)		(Unit: Thousands of yen)
A. Revenues related to real estate leasing business		
Rent revenue - real estate		
Rent		17,513,099
Other rent revenue - real estate		65,807
Total revenues related to real estate leasing business		17,578,907
B. Expenses related to real estate leasing business		
Expenses related to rent business		
Property and facility management fees		45,664
Repairs and maintenance expenses		694,106
Insurance expenses		179,598
Trust fees		23,013
Land rent paid		2,240,910
Taxes and dues		2,025,214
Depreciation		4,695,625
Water charges		44,544
Other expenses related to rent business		8,834
Total expenses related to real estate leasing business		9,957,511
C. Operating income from real estate leasing business (A – B)		7,621,395
Current fiscal period (From August 1, 2021, to January 31, 2022)		(Unit: Thousands of yen)
A. Revenues related to real estate leasing business		
Rent revenue - real estate		
Rent		19,727,043
Other rent revenue - real estate		62,781
Total revenues related to real estate leasing business		19,789,824
B. Expenses related to real estate leasing business		
Expenses related to rent business		
Property and facility management fees		49,326
Repairs and maintenance expenses		982,724
Insurance expenses		215,505
Trust fees		24,193
Land rent paid		2,591,994
Taxes and dues		2,024,931
Depreciation		5,213,564
Water charges		45,953
Other expenses related to rent business		15,492
Total expenses related to real estate leasing business		11,163,686
C. Operating income from real estate leasing business (A – B)		8,626,138

*2. Breakdown of gain on sale of real estate

Previous fiscal period (From February 1, 2021, to July 31, 2021)

	(Unit: Thousands of yen)
Proceeds from sale of real estate	53,737
Cost of sale of real estate	47,212
Other expenses related to sale	3,783
Gain on sale of real estate	2,741

Current fiscal period (From August 1, 2021, to January 31, 2022)

Not applicable.

*3. Breakdown of dividends received

Previous fiscal period (From February 1, 2021, to July 31, 2021)

The entire amount of the maximum distributable amount (RM 4,353,159 (¥114,950 thousand) based on the results of the fiscal period ended January 2021 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, 2020, to January 31, 2021)

	(Unit: RM (Thousands of yen))	
Revenues related to real estate leasing business	7,752,142	(197,447)
Expenses related to real estate leasing business	654,425	(16,668)
Other expenses	114,986	(2,928)
Unrealized gain from valuation of investment properties	-1,000,000	(-25,470)
Net income before income taxes	5,982,731	(152,380)
Net income before income taxes after deducting unrealized gain	5,982,731	(152,380)
Corporate income taxes on net income before income taxes after deducting unrealized gain	1,629,572	(41,505)
Maximum distributable amount (Note 3)	4,353,159	(114,950)
Dividends (Note 3)	4,353,159	(114,950)

(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 25.47 (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 2, 2021, of RM 1 = JPY 26.40 (rounded down to the second decimal place).

Current fiscal period (From August 1, 2021, to January 31, 2022)

The entire amount of the maximum distributable amount (RM 5,236,912 (¥139,076 thousand) based on the results of the fiscal period ended July 2021 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, 2021, to July 31, 2021)

	(Unit: RM (Thousands of yen))	
Revenues related to real estate leasing business	7,752,142	(204,656)
Expenses related to real estate leasing business	655,946	(17,316)
Other expenses	145,987	(3,854)
Unrealized gain from valuation of investment properties	-	(-)
Net income before income taxes	6,950,209	(183,485)
Net income before income taxes after deducting unrealized gain	6,950,209	(183,485)
Corporate income taxes on net income before income taxes after deducting unrealized gain	1,713,297	(45,231)
Maximum distributable amount (Note 3)	5,236,912	(139,076)
Dividends (Note 3)	5,236,912	(139,076)

(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 26.40 (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 2, 2021, of RM 1 = JPY 26.55 (rounded down to the second decimal place).

*4. Breakdown of extraordinary income

Previous fiscal period (From February 1, 2021, to July 31, 2021)

AEON REIT recorded ¥385,495 thousand in insurance income for the assets damaged by the earthquake off the coast of Fukushima Prefecture.

Current fiscal period (From August 1, 2021, to January 31, 2022)

Not applicable.

*5. Breakdown of extraordinary losses

Previous fiscal period (From February 1, 2021 to July 31, 2021)

1) Loss on disaster

Losses related to the assets that were damaged by the earthquake off the coast of Fukushima Prefecture and the earthquake off the coast of Miyagi Prefecture (expenses for restoration works) were recognized as loss on disaster (¥502,835 thousand).

2) Provision for loss on disaster

With regard to the assets that were damaged by the earthquake off the coast of Fukushima Prefecture, expenses for restoration works that were reasonably estimated as of the end of the fiscal period ended July 31, 2021 (¥1,137 thousand) were recorded as provision of allowance for loss on disaster.

Current fiscal period (From August 1, 2021, to January 31, 2022)

1) Loss on disaster

Losses related to the assets damaged by the earthquake with the epicenter in the northwestern part of Chiba Prefecture (expenses for restoration work) were recognized as loss on disaster (¥57,198 thousand).

2) Provision for loss on disaster

With regard to the assets damaged by the earthquake with the epicenter in the northwestern part of Chiba Prefecture, expenses for restoration work that were reasonably estimated as of the end of the fiscal period ended January 31, 2022 (¥49,456 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 February 1, 2021, to July 31, 2021)	Current fiscal period (From August 1, 2021, to January 31, 2022)
Total number of authorized investment units	10,000,000 units	10,000,000 units
Total number of investment units issued and outstanding	1,873,317 units	2,044,467 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 February 1, 2021, to July 31, 2021)	Current fiscal period (From August 1, 2021, to January 31, 2022)
Cash and deposits	18,185,810	13,989,226
Cash and deposits in trust	8,482,986	9,492,028
Cash and cash equivalents	26,668,796	23,481,254

2. Details of material non-cash transactions
 Newly recorded significant Asset Retirement Obligations

	(Unit: Thousands of yen)	
	Previous fiscal period (From February 1, 2021, to July 31, 2021)	Current fiscal period (From August 1, 2021, to January 31, 2022)
Amount of significant Asset Retirement Obligations	-	86,108

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). "Cash and deposits" and "Cash and deposits in trust" are cash and short term settlements, and their fair values approximate their carrying amounts. So, notes "Cash and deposits" and "Cash and deposits in trust" are omitted due to immateriality.

Previous fiscal period (as of July 31, 2021)

(Unit: Thousands of yen)

	Balance sheet carrying amount	Fair value	Difference
(1) Current portion of long-term loans payable	19,100,000	19,110,267	10,267
(2) Investment corporation bonds	51,000,000	50,862,000	(138,000)
(3) Long-term loans payable	89,700,000	91,174,803	1,474,803
Total liabilities	159,800,000	161,147,071	1,347,071
(4) Derivative transactions	-	-	-

Current fiscal period (as of January 31, 2022)

Balance sheet carrying amounts, fair values, and the difference between the two values are as shown below. Furthermore, Cash and deposits and Short-term loans payable are not included in the table as these are settled with cash and within a short period of time and thus the fair value approximates the book value.

(Unit: Thousands of yen)

	Balance sheet carrying amount	Fair value	Difference
(1) Current portion of long-term loans payable	40,100,000	40,129,386	29,386
(2) Investment corporation bonds	51,000,000	50,674,900	(325,100)
(3) Long-term loans payable	88,000,000	88,884,050	884,050
Total liabilities	179,100,000	179,688,337	588,337
(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 July 31, 2021)	Current fiscal period (as of January 31, 2022)
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 July 31, 2021)

(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	19,100,000	–	–	–	–	–
Investment corporation bonds	–	–	–	–	2,000,000	49,000,000
Long-term loans payable	–	20,800,000	20,400,000	15,300,000	13,300,000	19,900,000
Total	19,100,000	20,800,000	20,400,000	15,300,000	15,300,000	68,900,000

Current fiscal period (as of January 31, 2022)

(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	40,100,000	–	–	–	–	–
Investment corporation bonds	–	–	–	2,000,000	1,000,000	48,000,000
Long-term loans payable	–	20,400,000	15,300,000	13,300,000	20,400,000	18,600,000
Total	40,100,000	20,400,000	15,300,000	15,300,000	21,400,000	66,600,000

Derivative Transactions

1. Derivative transactions not applying hedge accounting

Previous fiscal period (as of July 31, 2021)

Not applicable.

Current fiscal period (as of January 31, 2022)

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 July 31, 2021)

(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	106,700,000	87,600,000	(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 January 31, 2022)

(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	106,700,000	87,300,000	(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 July 31, 2021)	Current fiscal period (As of January 31, 2022)
Deferred tax assets		
Asset retirement obligations	-	142,931
Amortization of leasehold interests	-	38,017
Tax loss carried forward (Note)	274,980	260,779
Subtotal of deferred tax assets	274,980	441,728
Valuation reserve	(274,980)	(309,156)
Total deferred tax assets	-	132,572
Deferred tax liabilities		
Property and equipment corresponding to the asset retirement obligations	-	(132,572)
Total deferred tax liabilities	-	(132,572)
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 July 31, 2021)	Current fiscal period (As of January 31, 2022)
Normal effective statutory tax rate	31.46	31.46
(Adjustments)		
Distributions paid included in deductibles	(31.61)	(32.01)
Reversal of distribution reserve	0.67	0.59
Other	(0.50)	(0.03)
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 July 31, 2021)

	(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)	-	-	-	-	274,980	-	274,980
Valuation reserve	-	-	-	-	(274,980)	-	(274,980)
Total deferred tax assets	-	-	-	-	-	-	-

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

Current fiscal period (as of January 31, 2022)

(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)	–	–	–	260,779	–	–	260,779
Valuation reserve	–	–	–	(260,779)	–	–	(260,779)
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% - 0.802%.

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

(Unit: Thousands of yen)

	Previous fiscal period (From February 1, 2021, to July 31, 2021)	Current fiscal period (From August 1, 2021, to January 31, 2022)
Balance at beginning of current period (Note)	–	119,399
Increase due to purchase of property and equipment	–	333,113
Adjustment due to passage of time	–	1,814
Balance at end of current period	–	454,327

(Note) Due to increased significance, the amount of the past year is indicated as balance at beginning of current period, starting from the 18th fiscal period.

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 February 1, 2021, to July 31, 2021)	Current fiscal period (From August 1, 2021, to January 31, 2022)
Balance sheet carrying amount		
Balance at beginning of period	354,468,585	351,964,805
Changes during period	(2,503,780)	47,427,208
Balance at end of period	351,964,805	399,392,013
Fair value at end of period	421,710,857	473,451,422

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

(Note 2) Of the changes during the previous fiscal period, the increase is mainly due to additional acquisition of land of AEON MALL Nogata with an acquisition price of ¥1,334,227 thousand and capital expenditures at existing properties amounting

to ¥904,830 thousand, while the decrease is principally attributable to a decrease in leasehold rights amounting to ¥47,212 thousand due to disposition of part of land of AEON MALL Yamatokoriyama, and depreciation amounting to ¥4,695,625 thousand. Of the changes during the current fiscal period, the increase is mainly due to acquisition of four properties (AEON MALL Takasaki, AEON MALL Narita, AEON MALL Shinkomatsu and AEON MALL Sagayamato) with a total acquisition price of ¥50,753,811 thousand, capital expenditures at existing properties amounting to ¥1,504,386 thousand and recording of asset retirement obligations amounting to ¥445,703 thousand, while the decrease is principally attributable to depreciation amounting to ¥5,213,564 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

Current fiscal period (From August 1, 2021, to January 31, 2022)

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(¥45,953 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 February 1, 2021, to July 31, 2021)

(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 Retail Co., Ltd.	7,727,302	Real estate leasing business
AEON Mall Co., Ltd.	7,515,752	Real estate leasing business
AEON Hokkaido Corporation	677,496	Real estate leasing business
The Daiei, Inc.	633,062	Real estate leasing business
AEON KYUSHU Co., Ltd.	589,295	Real estate leasing business
AEON Global SCM Co., Ltd.	289,620	Real estate leasing business
AEON CO. (M) BHD. (Note)	20,801	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 August 1, 2021, to January 31, 2022)

(1) Information about products and services

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

(2) Information about geographical area

i) Operating revenue

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

ii) Property and equipment

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

(3) Information about major customers

(Unit: Thousands of yen)

Name	Operating revenue	Related segment
AEON Mall Co., Ltd.	9,697,666	Real estate leasing business
AEON Retail Co., Ltd.	7,045,883	Real estate leasing business
AEON Hokkaido Corporation	790,538	Real estate leasing business
AEON KYUSHU Co., Ltd.	762,888	Real estate leasing business
The Daiei, Inc.	634,473	Real estate leasing business
AEON TOHOKU Co., Ltd.	426,497	Real estate leasing business
AEON Global SCM Co., Ltd.	289,620	Real estate leasing business
AEON CO. (M) BHD. (Note)	21,116	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 February 1, 2021, to July 31, 2021)	Current fiscal period (From August 1, 2021, to January 31, 2022)
Net assets per unit	¥112,588	¥115,675
Net income per unit	¥3,133	¥3,283

(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 February 1, 2021, to July 31, 2021)	Current fiscal period (From August 1, 2021, to January 31, 2022)
Net income (Thousands of yen)	5,869,347	6,660,669
Amount not attributable to common unitholders (Thousands of yen)	-	-
Net income attributable to common investment units (Thousands of yen)	5,869,347	6,660,669
Average number of investment units for the period (Units)	1,873,317	2,028,344

Significant Subsequent Events

Not applicable.

Omission of Disclosure

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

(12) 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	
February 22, 2017	Capital increase through public offering	310,900	1,620,367	35,767	175,238	(Note 2)
March 14, 2017	Capital increase through third-party allotment	15,545	1,635,912	1,788	177,026	(Note 3)
September 27, 2017	Capital increase through public offering	134,700	1,770,612	14,424	191,451	(Note 4)
October 24, 2017	Capital increase through third-party allotment	6,735	1,777,347	721	192,172	(Note 5)
September 3, 2019	Capital increase through public offering	91,400	1,868,747	11,805	203,977	(Note 6)
October 1, 2019	Capital increase through third-party allotment	4,570	1,873,317	590	204,568	(Note 7)
August 17, 2021	Capital increase through public offering	163,000	2,036,317	23,729	228,297	(Note 8)
September 14, 2021	Capital increase through third-party allotment	8,150	2,044,467	1,186	229,484	(Note 9)

(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 ¥118,950 (issue value: ¥115,046), 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 ¥115,046.

(Note 4) New investment units were issued through public offering with an issue price per unit of ¥110,662 (issue value: ¥107,086), for the purpose of procuring funds to acquire 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 ¥107,086.

(Note 6) 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 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 ¥129,164.

(Note 8) 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 9) 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.

3. Reference Information

(1) Status of Investment

i) Composition of assets

Type of assets	Property type	Region (Note 1)	Previous fiscal period (As of July 31, 2021)				Current fiscal period (As of January 31, 2022)					
			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	28,439	7.4	–	–	–	28,424	6.6	–	–	–
		Kanto (Note 5)	121,318	31.4	–	–	–	151,673	35.1	–	–	–
		Tokai, Hokuriku and Chubu	46,085	11.9	–	–	–	61,235	14.2	–	–	–
		Kinki	86,653	22.5	–	–	–	85,821	19.8	–	–	–
		Chugoku and Shikoku	28,595	7.4	–	–	–	28,108	6.5	–	–	–
		Kyushu and Okinawa	40,263	10.4	–	–	–	43,525	10.1	–	–	–
		Malaysia	608	0.2	608	(127)	0.2	602	0.1	602	(94)	0.1
Total			351,964	91.2	608	(127)	0.2	399,392	92.3	602	(94)	0.1
Shares of subsidiaries and associates (Note 6)			6,078	1.6	6,078	135	1.6	6,078	1.4	6,078	545	1.4
Deposits and other assets			27,939	7.2	14	–	0.0	27,232	6.3	15	–	0.0
Total assets			385,982	100.0	6,701	7	1.7	432,702	100.0	6,696	451	1.5

	Previous fiscal period (As of July 31, 2021)		Current fiscal period (As of January 31, 2022)	
	Amount (Millions of yen)	Percentage to total assets (%)	Amount (Millions of yen)	Percentage to total assets (%)
Total liabilities	175,069	45.4	196,207	45.3
Total net assets	210,913	54.6	236,495	54.7

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

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

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

(Note 3) *Unrealized gain (loss) on valuation of foreign currency* as of July 31, 2021, 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, 2021). As the closing date (July 31, 2021) was not a business day, the exchange rate on the immediately preceding business day (July 30, 2021) of RM 1 = ¥25.87 (rounded down to the second decimal place) is applied.

(Note 4) *Unrealized gain (loss) on valuation of foreign currency* as of January 31, 2022, 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, 2022). The applied exchange rate on the closing date (January 31, 2022) is RM 1 = ¥27.58 (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)	1.4

(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	1.4
Total			1.4

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 January 31, 2022 (the end of the 18th fiscal period) 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	17,945	23,700	4.7	AEON Retail Co., Ltd.
SRSC-2	AEON LakeTown kaze (Note 4)	6,730	5,507	7,800	1.5	AEON Retail Co., Ltd.
RSC-1	AEON MALL Morioka	5,340	5,044	6,950	1.2	AEON Mall Co., Ltd.
RSC-2	AEON MALL Ishinomaki	6,680	5,618	7,110	1.5	AEON Retail Co., Ltd.
RSC-3	AEON MALL Mitouchihara (Note 5)	16,565	13,151	17,715	3.7	AEON Mall Co., Ltd. Mito City, Ibaraki Pref.
RSC-4	AEON MALL Ota	6,860	6,007	8,210	1.5	Tokyo Century Corporation
RSC-5	AEON Sagamihara Shopping Center	10,220	9,431	11,300	2.3	AEON Retail Co., Ltd.
RSC-6	AEON MALL Ogaki	4,950	3,299	4,880	1.1	AEON Retail Co., Ltd.
RSC-7	AEON MALL Suzuka	9,660	9,082	10,500	2.2	AEON Mall Co., Ltd.
RSC-8	AEON MALL Meiwa	3,290	3,167	3,930	0.7	AEON Retail Co., Ltd.
RSC-9	AEON MALL Kasai-Hojo	7,230	5,669	7,720	1.6	AEON Retail Co., Ltd.
RSC-10	AEON MALL Hiezu	7,780	6,239	8,430	1.7	AEON Retail Co., Ltd.
RSC-11	AEON MALL Kurashiki	17,890	15,957	19,800	4.0	AEON Mall Co., Ltd.
RSC-12	AEON MALL Ayagawa	8,740	5,911	8,850	2.0	AEON Retail Co., Ltd.
RSC-13	AEON MALL Nogata (Note 6)	12,546	10,150	14,200	2.8	Tokyo Century Corporation AEON Mall Co., Ltd.
RSC-15	AEON MALL KYOTO	21,470	19,200	23,100	4.8	AEON Mall Co., Ltd.
RSC-16	AEON MALL Sapporo-Hiraoka	5,900	5,081	6,170	1.3	Forester Special Purpose Company
RSC-17	AEON MALL Kushiro-Showa	1,780	1,768	1,890	0.4	Forester Special Purpose Company
RSC-18	AEON MALL Shinrifu North Wing (Note 7)	2,560	2,681	2,280	0.6	Forester Special Purpose Company
RSC-19	AEON MALL Yamagata-Minami	1,350	1,211	1,480	0.3	Forester Special Purpose Company
RSC-20	AEON MALL Yokkaichi-Kita	2,210	2,172	2,440	0.5	Forester Special Purpose Company
RSC-21	AEON MALL Yamatokoriyama (Note 8)	14,452	12,554	14,600	3.2	AEON Mall Co., Ltd.
RSC-22	AEON MALL Chiba Newtown (mall, and cinema and sports complex)	12,190	11,208	12,600	2.7	Tokyo Century Corporation
RSC-23	AEON MALL Kofu Showa (Note 9)	15,489	14,202	17,200	3.5	AEON Mall Co., Ltd. Showa-cho Joei Land Readjustment Association
RSC-24	AEON MALL Tomakomai	7,840	7,018	8,160	1.8	Mevius Gamma Special Purpose Company
RSC-25	AEON MALL Oyama	6,280	5,538	6,550	1.4	AEON Retail Co., Ltd.
RSC-26	AEON MALL Itamikoya	16,860	15,235	17,600	3.8	AEON Retail Co., Ltd.
RSC-27	AEON MALL Kagoshima	13,400	12,175	14,200	3.0	AEON Retail Co., Ltd.
RSC-28	AEON MALL Tsuchiura	12,030	10,608	12,600	2.7	AEON Retail Co., Ltd.
RSC-29	AEON MALL Kahoku	9,940	8,299	10,800	2.2	AEON Retail Co., Ltd.
RSC-30	AEON MALL Shimotsuma	9,552	8,635	9,980	2.1	Godo Kaisha Double O2
RSC-31	AEON MALL Kyoto Gojo	13,333	12,896	13,900	3.0	Godo Kaisha Double O3
RSC-32	AEON MALL Fukutsu	18,040	17,453	18,300	4.0	Undisclosed (Note 10)
RSC-33	AEON MALL Tamadaira woods	9,667	9,450	10,200	2.2	Undisclosed (Note 10)
RSC-34	AEON MALL Takasaki	17,164	17,112	17,500	3.8	Undisclosed (Note 10)
RSC-35	AEON MALL Narita	14,001	14,038	14,200	3.1	Godo Kaisha Double O6
RSC-36	AEON MALL Shinkomatsu	15,350	15,547	15,700	3.4	ASM2 Godo Kaisha
RSC-37	AEON MALL Sagayamato	3,720	3,746	3,830	0.8	Undisclosed (Note 10)
CSC-1	AEON Chigasaki-Chuo Shopping Center	6,410	6,343	6,620	1.4	Sumitomo Mitsui Finance & Leasing Co., Ltd.
CSC-2	AEON STYLE Kemigawahama	3,748	3,319	3,920	0.8	AEON Retail Co., Ltd.
CSC-3	AEON Kireuriwari Shopping Center	4,394	4,184	4,760	1.0	Godo Kaisha Double O2
CSC-4	AEON Ueda Shopping Center	5,350	5,463	5,840	1.2	Godo Kaisha Double O5
L-1	Daiei-Kawasaki Process Center	14,280	13,374	16,100	3.2	Tokyo Century Corporation
L-2	AEON Minami-Osaka RDC	9,870	9,311	11,300	2.2	Tokyo Century Corporation
L-3	Daiei Ibaraki Process Center	6,810	6,769	7,960	1.5	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
M-1	AEON Taman Universiti Shopping Centre (Note 11)	658 [RM 20 million]	602 [RM 18 million]	576 [RM 20 million]	0.1	AEON CO. (M) BHD.
M-2	AEON MALL SEREMBAN 2 (Note 12)	5,252 [RM 215 million]	–	6,536 [RM 237 million]	1.2	Swiss Advanced Technology Institute(M) Sdn. Bhd.
	Total	447,023	399,392 (Note 13)	479,987	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 January 31, 2022, 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 ¥115 million).

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

(Note 7) AEON MALL Shinrifu North Wing was renamed from AEON MALL Rifu in July 2021.

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

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

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

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

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

AEON REIT holds the rights (18.18%) similar to the co-ownership interest (*kyōyū-mochibun*) of the trust property pertaining to the trust beneficiary rights in real estate of AEON Taman Universiti Shopping Centre (rights to the trust for part of AEON Taman Universiti Shopping Centre located in Johor, Malaysia; the same shall apply hereinafter). *Assessed value at end of period* describes the amount for the appraisal value shown on the appraisal report of property as of the valuation date of January 31, 2022, 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* is converted to Japanese yen based on the exchange rate (RM 1 = ¥27.58; rounded down to the second decimal place) on January 31, 2022.

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

Book value at end of period is not indicated as AEON REIT does not directly own the property. The amount of *Assessed value at end of period* is converted to Japanese yen based on the exchange rate (RM 1 = ¥27.58; rounded down to the second decimal place) on January 31, 2022.

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

(B) Overview of lease

The overview of lease (annual contracted rent, leasehold and security deposits, total leasable area, total leased area, and occupancy rate as of January 31, 2022) of real estate, etc., held by AEON REIT as of the end of the current fiscal period (January 31, 2022) is shown below.

Property type	Property number	Property name	Location	Date of construction	Annual contracted rent (Millions of yen)	Leasehold and security deposits (Millions of yen)	Total leasable area (m ²) (Note 1)	Total leased area (m ²)	Occupancy rate (%)
Retail properties, etc.	SRSC-1	AEON LakeTown mori (Note 2)	Koshigaya City, Saitama Pref.	September 9, 2008	678	685	205,711.70	205,711.70	100.0
	SRSC-2	AEON LakeTown kaze (Note 2)	Koshigaya City, Saitama Pref.	September 9, 2008	336	330	127,183.81	127,183.81	100.0
	RSC-1	AEON MALL Morioka	Morioka City, Iwate Pref.	July 23, 2003	368	338	98,968.59	98,968.59	100.0
	RSC-2	AEON MALL Ishinomaki	Ishinomaki City, Miyagi Pref.	March 2, 2007	351	354	60,682.20	60,682.20	100.0
	RSC-3	AEON MALL Mitouchihara	Mito City, Ibaraki Pref.	November 8, 2005	721 (Note 3)	726 (Note 3)	159,997.49	159,997.49	100.0
	RSC-4	AEON MALL Ota	Ota City, Gunma Pref.	November 17, 2003	480	476	93,165.27	93,165.27	100.0
	RSC-5	AEON Sagamihara Shopping Center	Sagamihara City, Kanagawa Pref.	August 9, 1993	417	420	75,056.62	75,056.62	100.0
	RSC-6	AEON MALL Ogaki	Ogaki City, Gifu Pref.	March 29, 2007	324	330	64,246.26	64,246.26	100.0
	RSC-7	AEON MALL Suzuka	Suzuka City, Mie Pref.	November 12, 1996	458	446	125,253.74	125,253.74	100.0
	RSC-8	AEON MALL Meiwa	Taki County, Mie Pref.	August 6, 2001	220	214	44,193.80	44,193.80	100.0
	RSC-9	AEON MALL Kasai-Hojo	Kasai City, Hyogo Pref.	October 3, 2008	324	328	48,229.25	48,229.25	100.0
	RSC-10	AEON MALL Hiezu	Saihaku County, Tottori Pref.	March 8, 1999	428	426	102,045.24	102,045.24	100.0
	RSC-11	AEON MALL Kurashiki	Kurashiki City, Okayama Pref.	September 15, 1999	749	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	704	698	136,468.45	136,468.45	100.0
	RSC-16	AEON MALL Sapporo-Hiraoka	Sapporo City, Hokkaido	November 10, 2000	446	–	78,360.81	78,360.81	100.0
	RSC-17	AEON MALL Kushiro-Showa	Kushiro City, Hokkaido	September 13, 2000	229	–	51,763.05	51,763.05	100.0
	RSC-18	AEON MALL Shinrifu North Wing (Note 4)	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	232	–	41,447.33	41,447.33	100.0
	RSC-21	AEON MALL Yamatokoriyama	Yamatokoriyama City, Nara Pref.	February 16, 2010	762	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	

Property type	Property number	Property name	Location	Date of construction	Annual contracted rent (Millions of yen)	Leasehold and security deposits (Millions of yen)	Total leasable area (m ²) (Note 1)	Total leased area (m ²)	Occupancy rate (%)
Retail properties, etc.	RSC-25	AEON MALL Oyama	Oyama City, Tochigi Pref.	April 18, 1997	276	279	47,872.33	47,872.33	100.0
	RSC-26	AEON MALL Itamikoya	Itami City, Hyogo Pref.	February 2, 2011	845	851	122,944.71	122,944.71	100.0
	RSC-27	AEON MALL Kagoshima	Kagoshima City, Kagoshima Pref.	September 12, 2007	588	–	132,341.35	132,341.35	100.0
	RSC-28	AEON MALL Tsuchiura	Tsuchiura City, Ibaraki Pref.	May 19, 2009	531	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	386	–	58,402.66	58,402.66	100.0
	RSC-31	AEON MALL Kyoto Gojo	Kyoto City, Kyoto Pref.	January 21, 2004	437	–	87,311.56	87,311.56	100.0
	RSC-32	AEON MALL Fukutsu	Fukutsu City, Fukuoka Pref.	April 20, 2012	622	628	100,020.87	100,020.87	100.0
	RSC-33	AEON MALL Tamadaira woods	Hino City, Tokyo	November 17, 2014	578	284	66,575.54	66,575.54	100.0
	RSC-34	AEON MALL Takasaki	Takasaki City, Gunma Pref.	October 16, 2006	725	722	126,403.58	126,403.58	100.0
	RSC-35	AEON MALL Narita	Narita City, Chiba Pref.	March 15, 2000	562	–	122,785.62	122,785.62	100.0
	RSC-36	AEON MALL Shinkomatsu	Komatsu City, Ishikawa Pref.	February 27, 2017	710	–	79,509.27	79,509.27	100.0
	RSC-37	AEON MALL Sagayamato	Saga City, Saga Pref.	September 1, 2000	174	105	68,942.36	68,942.36	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 Kireuiwari 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	218	–	61,349.07	61,349.07	100.0
	L-1	Daiei-Kawasaki Process Center	Kawasaki City, Kanagawa Pref.	April 22, 1997	488	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	21 [RM 791 thousand]	–	22,870.00	22,870.00	100.0	
M-2	AEON MALL SEREMBAN 2 (Note 7)	Negeri Sembilan, Malaysia	2005	208 [RM 7,752 thousand]	–	81,135.00	81,135.00	100.0	
Total					19,998 (Note 8)	14,322	4,056,102.68	4,056,102.68	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) AEON MALL Shinrifu North Wing was renamed from AEON MALL Rifu in July 2021.

(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 = ¥26.90; 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 18th fiscal period (January 31, 2022) 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.	23,700	24,100	4.7	23,500	4.7 4.8 (Note 4)	4.9	1,151
SRSC-2	AEON LakeTown kaze (Note 3)	The Tanizawa Sōgō Appraisal Co., Ltd.	7,800	8,000	5.1	7,720	5.0 5.1 (Note 4)	5.4	423
RSC-1	AEON MALL Morioka	Japan Real Estate Institute	6,950	7,000	6.5	6,900	6.1	6.7	526
RSC-2	AEON MALL Ishinomaki	Japan Real Estate Institute	7,110	7,210	6.1	7,000	5.8	6.4	467
RSC-3	AEON MALL Mitouchihara (Trust beneficiary rights in real estate) (Note 5)	Japan Real Estate Institute	17,600	17,700	5.9	17,400	5.5	6.1	1,105
	AEON MALL Mitouchihara (Land) (Note 5)	Japan Real Estate Institute	115	—	—	115	5.2	—	—
RSC-4	AEON MALL Ota	Japan Real Estate Institute	8,210	8,260	6.3	8,150	5.8	6.5	589
RSC-5	AEON Sagamihara Shopping Center	Japan Real Estate Institute	11,300	11,400	5.1	11,200	4.8	5.3	668
RSC-6	AEON MALL Ogaki	Japan Real Estate Institute	4,880	4,900	7.1	4,860	6.2	7.8	378
RSC-7	AEON MALL Suzuka	Japan Real Estate Institute	10,500	10,600	6.1	10,400	5.7	6.5	785
RSC-8	AEON MALL Meiwa	The Tanizawa Sōgō Appraisal Co., Ltd.	3,930	4,030	6.4	3,880	6.3 6.4 (Note 4)	6.7	294
RSC-9	AEON MALL Kasai-Hojo	Japan Real Estate Institute	7,720	7,750	6.7	7,680	6.4	6.9	535
RSC-10	AEON MALL Hiezu	Japan Real Estate Institute	8,430	8,490	6.7	8,370	6.3	7.0	607
RSC-11	AEON MALL Kurashiki	Japan Real Estate Institute	19,800	19,900	6.0	19,600	5.7	6.2	1,269
RSC-12	AEON MALL Ayagawa	Japan Real Estate Institute	8,850	8,940	6.4	8,760	6.0	6.7	610
RSC-13	AEON MALL Nogata (Note 6)	Japan Real Estate Institute	14,200	14,300	6.1	14,000	5.8	6.3	949
RSC-15	AEON MALL KYOTO	Japan Real Estate Institute	23,100	23,300	4.7	22,800	4.4	4.9	1,098
RSC-16	AEON MALL Sapporo-Hiraoka	The Tanizawa Sōgō Appraisal Co., Ltd.	6,170	6,370	6.1	6,090	6.1 6.2 (Note 4)	6.4	442
RSC-17	AEON MALL Kushiro-Showa	The Tanizawa Sōgō Appraisal Co., Ltd.	1,890	1,970	6.7	1,860	6.7 6.8 (Note 4)	7.0	180
RSC-18	AEON MALL Shinriku North Wing (Note 7)	The Tanizawa Sōgō Appraisal Co., Ltd.	2,280	2,360	6.3	2,250	6.3 6.4 (Note 4)	6.6	220

Property number	Property name	Appraisal agency	Appraisal value (Millions of yen) (Note 1)	Income approach value					NOI (Millions of yen) (Note 2)
				Price based on direct capitalization method (Millions of yen)	Capitalization rate (%)	Price based on DCF method (Millions of yen)	Discount rate (%)	Terminal capitalization rate (%)	
RSC-19	AEON MALL Yamagata-Minami	The Tanizawa Sōgō Appraisal Co., Ltd.	1,480	1,540	6.5	1,460	6.5 6.6 (Note 4)	6.8	140
RSC-20	AEON MALL Yokkaichi-Kita	The Tanizawa Sōgō Appraisal Co., Ltd.	2,440	2,540	6.1	2,400	6.1 6.2 (Note 4)	6.4	215
RSC-21	AEON MALL Yamatokoriyama (Note 8)	Japan Real Estate Institute	14,600	14,800	5.6	14,400	5.1	5.8	884
RSC-22	AEON MALL Chiba Newtown (mall, and cinema and sports complex)	Japan Real Estate Institute	12,600	12,700	4.8	12,500	4.5	5.0	626
RSC-23	AEON MALL Kofu Showa (Note 9)	Japan Real Estate Institute	17,200	17,300	5.6	17,100	5.1	5.8	989
RSC-24	AEON MALL Tomakomai	The Tanizawa Sōgō Appraisal Co., Ltd.	8,160	8,270	5.8	8,110	5.8 5.9 (Note 4)	6.0	528
RSC-25	AEON MALL Oyama	Japan Real Estate Institute	6,550	6,580	6.6	6,510	6.3	6.8	457
RSC-26	AEON MALL Itamikoya	Japan Real Estate Institute	17,600	17,900	5.6	17,300	5.1	5.8	1,025
RSC-27	AEON MALL Kagoshima	The Tanizawa Sōgō Appraisal Co., Ltd.	14,200	14,500	5.9	14,100	5.9 6.0 (Note 4)	6.2	897
RSC-28	AEON MALL Tsuchiura	Japan Real Estate Institute	12,600	12,700	6.2	12,500	5.7	6.4	801
RSC-29	AEON MALL Kahoku	Japan Real Estate Institute	10,800	10,800	6.8	10,700	6.3	7.0	759
RSC-30	AEON MALL Shimotsuma	Japan Real Estate Institute	9,980	10,000	6.3	9,960	5.9	6.5	631
RSC-31	AEON MALL Kyoto Gojo	The Tanizawa Sōgō Appraisal Co., Ltd.	13,900	14,200	4.8	13,800	4.8 4.9 (Note 4)	5.0	723
RSC-32	AEON MALL Fukutsu	The Tanizawa Sōgō Appraisal Co., Ltd.	18,300	18,600	5.4	18,100	5.4 5.5 (Note 4)	5.6	1,021
RSC-33	AEON MALL Tamadaira woods	The Tanizawa Sōgō Appraisal Co., Ltd.	10,200	10,700	4.9	9,940	4.9 5.0 (Note 4)	5.2	538
RSC-34	AEON MALL Takasaki	Daiwa Real Estate Appraisal Co., Ltd.	17,500	17,800	5.3	17,300	4.9	5.6	991
RSC-35	AEON MALL Narita	Daiwa Real Estate Appraisal Co., Ltd.	14,200	14,600	4.7	14,000	4.5	4.9	785
RSC-36	AEON MALL Shinkomatsu (Note 10)	The Tanizawa Sōgō Appraisal Co., Ltd.	15,700	16,100	–	15,500	6.3 6.4 (Note 4)	–	1,056
RSC-37	AEON MALL Sagayamato	The Tanizawa Sōgō Appraisal Co., Ltd.	3,830	3,960	6.2	3,770	6.2 6.3 (Note 4)	6.5	244
CSC-1	AEON Chigasaki-Chuo Shopping Center	Japan Real Estate Institute	6,620	6,660	5.0	6,580	4.7	5.2	347
CSC-2	AEON STYLE Kemigawahama	Japan Real Estate Institute	3,920	3,950	6.1	3,880	5.6	6.3	270
CSC-3	AEON Kireuriwari Shopping Center	The Tanizawa Sōgō Appraisal Co., Ltd.	4,760	4,910	5.1	4,700	5.1 5.2 (Note 4)	5.4	250
CSC-4	AEON Ueda Shopping Center	Japan Real Estate Institute	5,840	5,870	6.5	5,810	6.2	6.7	381

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 (%)	
L-1	Daiei-Kawasaki Process Center	Japan Real Estate Institute	16,100	16,300	4.6	15,800	4.0	5.0	769
L-2	AEON Minami-Osaka RDC	Japan Real Estate Institute	11,300	11,400	4.5	11,100	4.2	4.8	521
L-3	Daiei Ibaraki Process Center	Japan Real Estate Institute	7,960	8,020	4.6	7,900	4.3	4.8	412
M-1	AEON Taman Universiti Shopping Centre (Note 11)	Japan Real Estate Institute	576 [RM 20 million]	–	–	576 [RM 20 million]	6.5	7.3	41 [RM 1 million]
M-2	AEON MALL SEREMBAN 2 (Note 11) (Note 12)	Japan Real Estate Institute	6,536 [RM 237 million]	–	–	6,536 [RM 237 million]	6.0	6.5	396 [RM 14 million]
Total			479,987	–	–	474,867	–	–	–

(Note 1) *Appraisal value* represents the appraisal value indicated in the appraisal report with the valuation date of January 31, 2022, 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 4.7% during the initial two years and 4.8% from the third year.
Discount rates for AEON LakeTown kaze are 5.0% during the initial two years and 5.1% from the third year.
Discount rates for AEON MALL Meiwa are 6.3% during the initial four years and 6.4% from the fifth year.
Discount rates for AEON MALL Sapporo-Hiraoka are 6.1% during the initial two years and 6.2% from the third year.
Discount rates for AEON MALL Kushiro-Showa are 6.7% during the initial three years and 6.8% from the fourth year.
Discount rates for AEON MALL Shinrifu North Wing are 6.3% during the initial five years and 6.4% from the sixth year.
Discount rates for AEON MALL Yamagata-Minami are 6.5% during the initial two years and 6.6% from the third year.
Discount rates for AEON MALL Yokkaichi-Kita are 6.1% during the initial year and 6.2% from the second year.
Discount rates for AEON MALL Tomakomai are 5.8% during the initial eight years and 5.9% from the ninth year.
Discount rates for AEON MALL Kagoshima are 5.9% during the initial two years and 6.0% from the third year.
Discount rates for AEON MALL Kyoto Gojo are 4.8% during the initial four years and 4.9% from the fifth year.
Discount rates for AEON MALL Fukutsu are 5.4% during the initial five years and 5.5% from the sixth year.
Discount rates for AEON MALL Tamadaira woods are 4.9% during the initial three years and 5.0% from the fourth year.
Discount rates for AEON MALL Shinkomatsu are 6.3% during the initial seven years and 6.4% from the eighth year.
Discount rates for AEON MALL Sagayamato are 6.2% during the initial ten years and 6.3% from the eleventh year.
Discount rates for AEON Kireuriwari Shopping Center are 5.1% during the initial six years and 5.2% from the seventh year.

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

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

(Note 7) AEON MALL Shinrifu North Wing was renamed from AEON MALL Rifu in July 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 Kofu Showa, the amounts and figures are indicated combined with those of the Extended Building AEON REIT additionally acquired on September 3, 2018.

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

(Note 11) Pursuant to the local appraisal methodology, the evaluation of the appraisal value of AEON Taman Universiti Shopping Centre and AEON MALL SEREMBAN 2 has been entrusted to Japan Real Estate Institute. *Appraisal value* of AEON Taman Universiti Shopping Centre is based on the appraisal value as indicated on the appraisal report as of the valuation date of January 31, 2022, 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 is the appraisal value as of January 31, 2022. 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 = ¥27.58; rounded down to the second decimal place) on the closing date (January 31, 2022).

(Note 12)The property is owned by AEON REIT through the Overseas SPC.

(D) Statements of income of individual properties

18th fiscal period (From August 1, 2021, to January 31, 2022)

(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	184	184	184	184	184
(A) Revenues related to real estate leasing business	678,830	336,949	368,056	351,065	721,185
Rent revenue—real estate	678,830	336,949	368,056	351,065	721,185
(B) Expenses related to real estate leasing business	97,355	144,195	120,272	123,496	169,282
Property and facility management fees (Note 1)	1,826	1,284	1,820	1,790	1,400
Taxes and dues	79,157	31,391	42,155	45,716	71,592
Insurance expenses	6,468	4,673	4,826	3,215	8,394
Repairs and maintenance expenses	9,896	27,502	21,663	17,295	12,754
Land rent paid	—	78,952	49,748	54,704	75,121
Utilities	—	—	—	—	—
Other expenses related to rent business	6	391	57	775	19
(C) NOI (A – B)	581,474	192,754	247,784	227,569	551,902
(D) Depreciation	207,602	95,919	84,684	82,181	171,325
(E) Income from leasing business (C – D)	373,871	96,834	163,099	145,387	380,576
(F) Capital expenditures	1,596	3,827	56,377	3,570	—
(G) NCF (C – F)	579,878	188,926	191,406	223,999	551,902

(Note 1) *Property and facility management fees* include trust fees.

(Note 2) For AEON MALL Nogata, AEON REIT additionally acquired land as of February 25, 2021.

(Note 3) For AEON MALL Yamatokoriyama, AEON REIT disposed part of the land as of March 24, 2021.

(Note 4) *Revenues related to real estate leasing business* and *Expenses related to real estate leasing business* represent the amount after the conversion to Japanese yen based on the exchange rate at the time of the transaction (based on the average spot exchange rate of the month preceding the month in which the transaction was carried out).

(Unit: Thousands of yen)

Property number	RSC-4	RSC-5	RSC-6	RSC-7	RSC-8
Property name	AEON MALL Ota	AEON Sagamihara Shopping Center	AEON MALL Ogaki	AEON MALL Suzuka	AEON MALL Meiwa
Number of operating days	184	184	184	184	184
(A) Revenues related to real estate leasing business	480,819	417,705	324,129	458,204	220,267
Rent revenue—real estate	480,819	417,705	324,129	458,204	220,267
(B) Expenses related to real estate leasing business	232,932	113,622	149,182	92,301	66,819
Property and facility management fees (Note 1)	1,400	1,400	1,760	1,850	1,850
Taxes and dues	37,260	73,648	31,411	52,083	20,494
Insurance expenses	4,411	6,181	3,083	6,408	1,735
Repairs and maintenance expenses	57,232	32,371	18,714	26,903	5,171
Land rent paid	132,591	—	94,212	—	37,567
Utilities	—	—	—	—	—
Other expenses related to rent business	38	21	—	5,055	—
(C) NOI (A – B)	247,886	304,083	174,946	365,902	153,448
(D) Depreciation	87,066	90,435	105,716	131,048	42,349
(E) Income from leasing business (C – D)	160,820	213,647	69,230	234,854	111,099
(F) Capital expenditures	209,844	134,642	7,510	95,711	1,648
(G) NCF (C – F)	38,041	169,440	167,436	270,191	151,800

(Note 1) *Property and facility management fees* include trust fees.

(Note 2) For AEON MALL Nogata, AEON REIT additionally acquired land as of February 25, 2021.

(Note 3) For AEON MALL Yamatokoriyama, AEON REIT disposed part of the land as of March 24, 2021.

(Note 4) *Revenues related to real estate leasing business* and *Expenses related to real estate leasing business* represent the amount after the conversion to Japanese yen based on the exchange rate at the time of the transaction (based on the average spot exchange rate of the month preceding the month in which the transaction was carried out).

(Unit: Thousands of yen)

Property number	RSC-9	RSC-10	RSC-11	RSC-12	RSC-13
Property name	AEON MALL Kasai-Hojo	AEON MALL Hiezu	AEON MALL Kurashiki	AEON MALL Ayagawa	AEON MALL Nogata (Note 2)
Number of operating days	184	184	184	184	184
(A) Revenues related to real estate leasing business	324,298	428,463	749,158	453,932	546,746
Rent revenue—real estate	324,298	428,463	749,158	453,932	546,746
(B) Expenses related to real estate leasing business	68,150	153,473	127,388	159,606	100,372
Property and facility management fees (Note 1)	1,850	1,850	1,850	1,850	1,850
Taxes and dues	39,856	40,506	91,816	51,344	55,122
Insurance expenses	2,155	5,337	8,931	5,256	10,195
Repairs and maintenance expenses	14,606	33,686	16,774	16,186	33,191
Land rent paid	9,677	72,092	—	84,915	—
Utilities	—	—	—	—	—
Other expenses related to rent business	4	—	8,015	54	14
(C) NOI (A – B)	256,148	274,990	621,769	294,326	446,374
(D) Depreciation	95,474	150,090	214,710	184,773	177,576
(E) Income from leasing business (C – D)	160,674	124,899	407,059	109,552	268,798
(F) Capital expenditures	—	23,102	43,542	—	4,705
(G) NCF (C – F)	256,148	251,887	578,227	294,326	441,668

(Note 1) *Property and facility management fees* include trust fees.

(Note 2) For AEON MALL Nogata, AEON REIT additionally acquired land as of February 25, 2021.

(Note 3) For AEON MALL Yamatokoriyama, AEON REIT disposed part of the land as of March 24, 2021.

(Note 4) *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	184	184	184	184	184
(A) Revenues related to real estate leasing business	704,692	446,692	229,778	208,249	160,731
Rent revenue—real estate	704,692	446,692	229,778	208,249	160,731
(B) Expenses related to real estate leasing business	154,255	233,956	137,091	256,022	102,778
Property and facility management fees (Note 1)	1,562	2,180	2,180	1,760	1,820
Taxes and dues	130,328	42,884	30,271	20,946	17,687
Insurance expenses	7,650	4,610	2,963	3,564	2,956
Repairs and maintenance expenses	14,702	18,805	5,648	163,809	15,773
Land rent paid	—	165,475	96,027	65,915	64,541
Utilities	—	—	—	—	—
Other expenses related to rent business	12	—	—	26	—
(C) NOI (A – B)	550,437	212,736	92,687	(47,772)	57,952
(D) Depreciation	186,047	76,127	30,875	49,639	22,479
(E) Income from leasing business (C – D)	364,389	136,609	61,812	(97,412)	35,473
(F) Capital expenditures	7,533	46,121	59,076	242,985	3,033
(G) NCF (C – F)	542,903	166,615	33,611	(290,758)	54,919

(Note 1) *Property and facility management fees* include trust fees.

(Note 2) For AEON MALL Nogata, AEON REIT additionally acquired land as of February 25, 2021.

(Note 3) For AEON MALL Yamatokoriyama, AEON REIT disposed part of the land as of March 24, 2021.

(Note 4) *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 (Note 3)	AEON MALL Chiba Newtown (mall, and cinema and sports complex)	AEON MALL Kofu Showa	AEON MALL Tomakomai
Number of operating days	184	184	184	184	184
(A) Revenues related to real estate leasing business	232,424	762,649	401,515	671,779	342,202
Rent revenue—real estate	232,424	762,649	401,515	671,779	342,202
(B) Expenses related to real estate leasing business	120,835	333,384	97,921	177,869	77,819
Property and facility management fees (Note 1)	1,760	1,760	1,670	1,820	1,850
Taxes and dues	20,865	59,094	70,329	61,632	59,643
Insurance expenses	2,242	6,160	4,874	6,660	3,717
Repairs and maintenance expenses	4,497	20,555	20,781	14,761	12,608
Land rent paid	91,469	245,786	241	92,995	—
Utilities	—	—	—	—	—
Other expenses related to rent business	—	26	25	—	—
(C) NOI (A – B)	111,589	429,265	303,594	493,910	264,382
(D) Depreciation	35,968	176,441	103,789	263,420	85,574
(E) Income from leasing business (C – D)	75,620	252,824	199,804	230,489	178,808
(F) Capital expenditures	10,340	2,700	—	11,757	6,180
(G) NCF (C – F)	101,249	426,565	303,594	482,153	258,202

(Note 1) *Property and facility management fees* include trust fees.

(Note 2) For AEON MALL Nogata, AEON REIT additionally acquired land as of February 25, 2021.

(Note 3) For AEON MALL Yamatokoriyama, AEON REIT disposed part of the land as of March 24, 2021.

(Note 4) *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	184	184	184	184	184
(A) Revenues related to real estate leasing business	276,178	845,912	588,824	531,538	488,653
Rent revenue—real estate	276,178	845,912	588,824	531,538	488,653
(B) Expenses related to real estate leasing business	47,025	333,862	175,296	137,992	117,846
Property and facility management fees (Note 1)	1,400	1,376	1,688	1,334	1,580
Taxes and dues	31,180	92,377	93,356	52,622	39,768
Insurance expenses	2,727	7,577	6,558	4,842	4,211
Repairs and maintenance expenses	11,710	9,304	40,696	14,606	13,839
Land rent paid	—	223,227	32,792	64,567	58,428
Utilities	—	—	—	—	—
Other expenses related to rent business	7	—	204	19	19
(C) NOI (A – B)	229,152	512,049	413,528	393,545	370,807
(D) Depreciation	89,197	193,266	178,755	154,072	166,881
(E) Income from leasing business (C – D)	139,955	318,783	234,773	239,472	203,925
(F) Capital expenditures	27,727	—	4,608	1,746	23,546
(G) NCF (C – F)	201,425	512,049	408,919	391,798	347,260

(Note 1) *Property and facility management fees* include trust fees.

(Note 2) For AEON MALL Nogata, AEON REIT additionally acquired land as of February 25, 2021.

(Note 3) For AEON MALL Yamatokoriyama, AEON REIT disposed part of the land as of March 24, 2021.

(Note 4) *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	184	184	184	184	181
(A) Revenues related to real estate leasing business	386,219	437,001	622,965	578,660	725,332
Rent revenue—real estate	386,219	437,001	622,965	578,660	725,332
(B) Expenses related to real estate leasing business	72,959	75,464	114,902	305,047	133,668
Property and facility management fees (Note 1)	1,610	1,412	1,580	1,340	1,320
Taxes and dues	27,498	64,264	76,652	53,899	—
Insurance expenses	3,454	4,203	6,186	4,268	7,216
Repairs and maintenance expenses	—	5,583	12,420	1,329	470
Land rent paid	40,378	—	18,042	244,190	124,385
Utilities	—	—	—	—	—
Other expenses related to rent business	19	—	21	18	275
(C) NOI (A – B)	313,259	361,537	508,063	273,612	591,664
(D) Depreciation	117,138	75,788	153,195	94,613	207,782
(E) Income from leasing business (C – D)	196,121	285,748	354,867	178,999	383,882
(F) Capital expenditures	—	15,273	1,491	—	—
(G) NCF (C – F)	313,259	346,264	506,572	273,612	591,664

(Note 1) *Property and facility management fees* include trust fees.

(Note 2) For AEON MALL Nogata, AEON REIT additionally acquired land as of February 25, 2021.

(Note 3) For AEON MALL Yamatokoriyama, AEON REIT disposed part of the land as of March 24, 2021.

(Note 4) *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	CSC-1	CSC-2
Property name	AEON MALL Narita	AEON MALL Shinkomatsu	AEON MALL Sagayamato	AEON Chigasaki-Chuo Shopping Center	AEON STYLE Kemigawahama
Number of operating days	181	181	181	184	184
(A) Revenues related to real estate leasing business	562,323	710,520	174,615	224,126	174,787
Rent revenue—real estate	562,323	710,520	174,615	224,126	174,787
(B) Expenses related to real estate leasing business	116,771	103,030	36,592	204,887	35,819
Property and facility management fees (Note 1)	1,320	1,497	1,497	1,400	1,298
Taxes and dues	—	—	—	34,100	16,166
Insurance expenses	6,039	4,603	3,813	2,661	1,710
Repairs and maintenance expenses	3,129	211	—	166,703	1,570
Land rent paid	106,275	96,713	31,276	—	15,056
Utilities	—	—	—	—	—
Other expenses related to rent business	6	4	5	21	18
(C) NOI (A – B)	445,552	607,490	138,023	19,239	138,967
(D) Depreciation	92,085	290,077	53,464	45,591	53,710
(E) Income from leasing business (C – D)	353,466	317,412	84,559	(26,351)	85,256
(F) Capital expenditures	—	—	—	223,095	5,956
(G) NCF (C – F)	445,552	607,490	138,023	(203,856)	133,011

(Note 1) *Property and facility management fees* include trust fees.

(Note 2) For AEON MALL Nogata, AEON REIT additionally acquired land as of February 25, 2021.

(Note 3) For AEON MALL Yamatokoriyama, AEON REIT disposed part of the land as of March 24, 2021.

(Note 4) *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-3	CSC-4	L-1	L-2	L-3
Property name	AEON Kireuriwari Shopping Center	AEON Ueda Shopping Center	Daiei-Kawasaki Process Center	AEON Minami-Osaka RDC	Daiei Ibaraki Process Center
Number of operating days	184	184	184	184	184
(A) Revenues related to real estate leasing business	173,051	218,168	488,480	289,620	251,197
Rent revenue—real estate	173,051	218,168	488,480	289,620	251,197
(B) Expenses related to real estate leasing business	49,435	83,892	101,926	34,188	57,855
Property and facility management fees (Note 1)	1,406	1,400	1,580	1,370	1,700
Taxes and dues	21,311	30,978	47,981	25,291	39,469
Insurance expenses	2,074	3,587	5,872	3,237	3,901
Repairs and maintenance expenses	—	47,916	306	4,270	12,762
Land rent paid	24,625	—	—	—	—
Utilities	—	—	45,953	—	—
Other expenses related to rent business	17	11	232	19	21
(C) NOI (A – B)	123,616	134,275	386,554	255,431	193,342
(D) Depreciation	43,138	63,173	95,607	67,487	20,852
(E) Income from leasing business (C – D)	80,478	71,101	290,946	187,943	172,489
(F) Capital expenditures	—	223,083	2,051	—	—
(G) NCF (C – F)	123,616	(88,808)	384,502	255,431	193,342

(Note 1) *Property and facility management fees* include trust fees.

(Note 2) For AEON MALL Nogata, AEON REIT additionally acquired land as of February 25, 2021.

(Note 3) For AEON MALL Yamatokoriyama, AEON REIT disposed part of the land as of March 24, 2021.

(Note 4) *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	M-1	
Property name	AEON Taman Universiti Shopping Centre (Note 4)	Total
Number of operating days	184	—
(A) Revenues related to real estate leasing business	21,116	19,789,824
Rent revenue—real estate	21,116	19,789,824
(B) Expenses related to real estate leasing business	1,272	5,950,121
Property and facility management fees (Note 1)	417	73,519
Taxes and dues	774	2,024,931
Insurance expenses	75	215,505
Repairs and maintenance expenses	—	982,724
Land rent paid	—	2,591,994
Utilities	—	45,953
Other expenses related to rent business	4	15,492
(C) NOI (A – B)	19,844	13,839,703
(D) Depreciation	6,363	5,213,564
(E) Income from leasing business (C – D)	13,480	8,626,138
(F) Capital expenditures	—	1,504,386
(G) NCF (C – F)	19,844	12,335,316

(Note 1) *Property and facility management fees* include trust fees.

(Note 2) For AEON MALL Nogata, AEON REIT additionally acquired land as of February 25, 2021.

(Note 3) For AEON MALL Yamatokoriyama, AEON REIT disposed part of the land as of March 24, 2021.

(Note 4) *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 January 31, 2022.

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

Property name (Location)	Purpose	Scheduled period	Estimated cost of construction works (Millions of yen)		
			Total amount	Payment for the period	Total amount already paid
AEON LakeTown mori (Koshigaya City, Saitama Pref.)	Work on exterior renewal	From April 2022 to May 2022	65	—	—
	Renewal of central monitoring boards	From June 2022 to July 2022	102	—	—
AEON LakeTown kaze (Koshigaya City, Saitama Pref.)	Renewal of air-conditioning units	From May 2022 to June 2022	76	—	—
AEON MALL Morioka (Morioka City, Iwate Prefecture)	Renewal of air-conditioning units	From March 2022 to May 2022	73	—	—
	Renewal of air-conditioning units	From September 2022 to November 2022	55	—	—
AEON MALL Ishinomaki (Ishinomaki City, Miyagi Pref.)	Renewal of wastewater pretreatment facilities	From June 2022 to September 2022	72	—	—
AEON MALL Mitouchihara (Mito City, Ibaraki Pref.)	Renewal of air-conditioning units	From July 2022 to November 2022	32	—	—
AEON MALL Ota (Ota City, Gunma Pref.)	Renewal of air-conditioning units	From February 2022 to May 2022	84	—	—
	Renewal of air-conditioning units	From September 2022 to December 2022	75	—	—
AEON Sagamihara Shopping Center (Sagamihara City, Kanagawa Pref.)	Renewal of air-conditioning units	From March 2022 to May 2022	172	—	—
AEON MALL Suzuka (Suzuka City, Mie Pref.)	Renewal of hot/cold water generators	From June 2022 to June 2022	96	—	—
	Renewal of hot/cold water generators	From November 2022 to November 2022	78	—	—
AEON MALL Hiezu (Saihaku County, Tottori Pref.)	Work for waterproofing	From March 2022 to May 2022	60	—	—
AEON MALL Kurashiki (Kurashiki City, Okayama Pref.)	Renewal of air-conditioning units	From September 2021 to June 2022	464	—	—
	Renewal of sanitary facilities	From April 2022 to June 2022	65	—	—
	Revitalization	From April 2022 to October 2022	39	—	—
	Revitalization	From April 2022 to October 2022	43	—	—
	New construction of child-care facilities	From April 2022 to August 2022	80	—	—
AEON MALL Ayagawa (Ayauta County, Kagawa Pref.)	Renewal of central monitoring boards	From July 2022 to September 2022	30	—	—
AEON MALL Nogata (Nogata City, Fukuoka Pref.)	Renewal of air-conditioning units	From February 2022 to April 2022	122	—	—
	Renewal of air-conditioning units	From February 2022 to May 2022	149	—	—
	Work on exterior fittings repair	From March 2022 to June 2022	35	—	—
	Renewal of air-conditioning units	From August 2022 to December 2022	132	—	—
	Renewal of firefighting equipment	From December 2022 to January 2023	87	—	—
AEON MALL KYOTO (Kyoto City, Kyoto Pref.)	Renewal of central monitoring boards	From December 2022 to January 2023	46	—	—
AEON MALL Kushiro-Showa (Kushiro City, Hokkaido Pref.)	Renewal of air-conditioning units	From June 2022 to October 2022	101	—	—
AEON MALL Shinrifu North Wing (Miyagi County, Miyagi Pref.)	Parking lot waterproofing	From November 2021 to May 2022	203	—	—
	Renewal of electrical facilities	From October 2022 to January 2023	203	—	—
	Renewal of hot/cold water generators	From October 2022 to December 2022	71	—	—

AEON MALL Yokkaichi-Kita (Yokkaichi City, Mie Pref.)	Renewal of air-conditioning units	From March 2022 to May 2022	39	—	—
	Renewal of air-conditioning units	From September 2022 to November 2022	39	—	—
AEON MALL Tomakomai (Tomakomai City, Hokkaido Pref.)	Renewal of air-conditioning units	From February 2022 to May 2022	32	—	—
AEON MALL Kagoshima (Kagoshima City, Kagoshima Pref.)	Renewal of elevators	From May 2022 to December 2022	51	—	—
AEON MALL Shimotsuma (Shimotsuma City, Ibaraki Pref.)	Exterior wall painting	From March 2022 to December 2022	360	—	—
AEON MALL Takasaki (Takasaki City, Gunma Pref.)	Renewal of central monitoring boards	From September 2022 to January 2023	57	—	—
AEON MALL Narita (Narita City, Chiba Pref.)	Renewal of air-conditioning units	From December 2021 to March 2022	30	—	—
	Renewal of air-conditioning units	From September 2022 to November 2022	45	—	—
AEON Chigasaki-Chuo Shopping Center (Chigasaki City, Kanagawa Pref.)	Renewal of electrical facilities	From February 2022 to April 2022	139	—	—
	Renewal of air-conditioning units	From March 2022 to June 2022	101	—	—
	Renewal of air-conditioning units	From September 2022 to November 2022	100	—	—

(B) Capital expenditures during the period

For properties held by AEON REIT as of January 31, 2022, 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 ¥1,504 million. Combined with ¥982 million in repairs and maintenance that was classified as expenses as well as ¥61 million in loss on disaster from the earthquake with the epicenter in the northwestern part of Chiba Prefecture, AEON REIT conducted construction works totaling ¥2,548 million in the current fiscal period.

Property name (Location)	Purpose	Period	Cost of construction works (Millions of yen)
AEON MALL Kushiro-Showa (Kushiro City, Hokkaido Pref.)	Renewal of air-conditioning units	From May 2021 to October 2021	59
AEON MALL Morioka (Morioka City, Iwate Pref.)	Renewal of air-conditioning units	From November 2021 to December 2021	51
AEON MALL Shinrifu North Wing (Miyagi County, Miyagi Pref.)	Parking lot waterproofing and paving	From March 2021 to August 2021	237
AEON MALL Ota (Ota City, Gunma Pref.)	Renewal of air-conditioning units	From June 2021 to December 2021	175
AEON Sagami-hara Shopping Center (Sagami-hara City, Kanagawa Pref.)	Renewal of air-conditioning units	From October 2021 to December 2021	134
AEON Chigasaki-Chuo Shopping Center (Chigasaki City, Kanagawa Pref.)	Renovation of exterior walls	From April 2021 to January 2022	219
AEON Ueda Shopping Center (Ueda City, Nagano Pref.)	Renovation of exterior walls	From April 2021 to November 2021	223
AEON MALL Suzuka (Suzuka City, Mie Pref.)	Revitalization	From May 2021 to August 2021	58
	Renewal of air-conditioning units	From December 2021 to December 2021	31
AEON MALL Kurashiki (Kurashiki City, Okayama Pref.)	Renewal of central monitoring boards	From December 2021 to December 2021	38