



Financial Results

for the year ended February 28, 2009 (FY2008)

April 6, 2009

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AEON Delight Co., Ltd.

1

Contents

Topics

§ 1 *FY2008 in Review*

§ 2 *Business Environment*

§ 3 *Basic Policies and Strategies for FY2009*

§ 4 *FY2009 Earnings Forecast*

§ 5 *Reference*

2

Another Record-high Earnings Report since Starting Anew as AEON Delight

- ✓ Sales / profit growth for 3 consecutive years despite difficult conditions
- ✓ Net sales: up 5.9%; OP: up 19.4% (from previous year)
- ✓ Both gross and OP margins increased
Gross margin: 13.7%→14.4% OP margin: 6.1%→6.8%

FY2008 Achievements (Growth)

Growth management

- New contracts with both AEON Group & non-Group customers
 - AEON LakeTown, large non-group commercial complexes
- Oversea Development: Service started in Beijing (China)
 - First foothold gained, International Department established
- M&As: Kankyouseibi, Do Service
 - Area sales reinforced, full-line service
- Solutions for reduced environmental stress
 - Received contracts for installation of energy-saving equipment



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Achievements in FY2008 (Growth)

New projects



Intra-Group



Non-Group



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Achievements in FY2008 (Quality)

Quality management

- Experiment of “Cleaning as a Core Business”
 - In-store experiments on operating procedures, improving the way we work, and productivity enhancement were all effective.
- Integrated ISO environment and quality manuals
 - Maintenance services achieving both environmental preservation and higher quality
- Continued drive for 5S
 - Compiled know-how, and shared know-how nationwide for higher service quality



Consolidated Statement of Income (Summary)

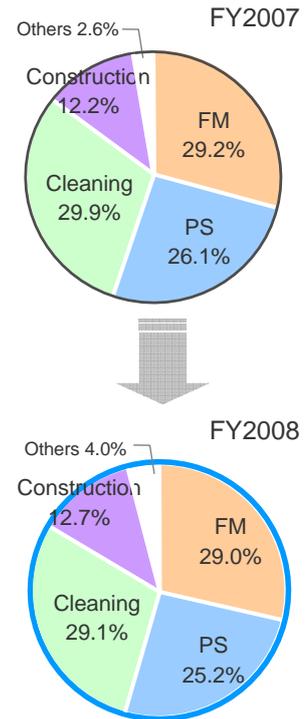
Millions of yen

	FY2008				FY2007	
	Amount	% to net sales	YoY change %	Amount	Amount	% to net sales
Net sales	145,690	100.0	105.9	8,171	137,519	100.0
COGS	124,735	85.6	105.1	6,043	118,692	86.3
Gross profit on sales	20,955	14.4	111.3	2,128	18,827	13.7
SG&A	11,008	7.6	104.9	512	10,496	7.6
Operating income	9,946	6.8	119.4	1,615	8,330	6.1
Ordinary income	9,812	6.7	119.9	1,626	8,186	6.0
Net income	4,876	3.3	111.3	496	4,379	3.2

Segment Sales

◇ Well-balanced growth among the four segments

	FY2008	FY2007	Millions of yen	
			YoY change %	Amount
Facility management (FM)	42,253	40,202	105.1	2,051
Preservation of security (PS)	36,670	35,848	102.3	821
Cleaning	42,403	41,098	103.2	1,304
Construction	18,515	16,777	110.4	1,738
Others	5,846	3,591	162.8	2,255
Total	145,690	137,519	105.9	8,171



◇ "Others" represents the aggregate of other building-maintenance-related businesses and other operating revenue.

Consolidated Balance Sheets (Summary)

	Millions of yen				Millions of yen		
	FY2008	FY2007	Difference		FY2008	FY2007	Difference
Current assets	30,150	28,764	1,386	Current liabilities	20,131	22,533	-2,402
Fixed assets	18,885	18,653	231	Long-term liabilities	824	2,395	-1,571
Tangible fixed assets	2,602	1,885	717	Total liabilities	20,956	24,929	-3,973
Intangible fixed assets	12,623	13,356	-732	Total net assets	28,079	22,488	5,591
Investments and other assets	3,658	3,411	246				
Total assets	49,035	47,418	1,617	Total liabilities and net assets	49,035	47,418	1,617

Statement of Cash Flows

Millions of yen

	FY2008	FY2007
Cash flows from operating activities	6,668	6,472
Cash flows from investing activities	-2,087	-2,190
Cash flows from financing activities	-5,255	-6,094
Net increase (decrease) in cash and cash equivalents	-687	-1,811
Cash and cash equivalents at beginning of period	7,657	9,469
Cash and cash equivalents at end of period	6,970	7,657

Operating activities		Investing activities		Financing activities	
Net income before income taxes	+¥8.98 bn.	Acquisition of cleaning materials / equipment and software	-¥0.42 bn.	Return of funds for liquidation of receivables	-¥4.5 bn.
Depreciation and goodwill amortization	+¥1.49 bn.	Increase in deposits for consumption	-¥1.0 bn.	Dividend payment	-¥0.79 bn.
Income tax payment	-¥4.53 bn.				

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Key Management Indicators

	FY2005	FY2006	FY2007	FY2008
EPS	¥64.26	¥151.17	¥110.39*	¥122.92
ROE	8.29%	16.85%	21.03%	19.89%
ROA	4.78%	7.62%	9.17%	10.11%
Ratio of ordinary income to net sales	4.74%	4.93%	5.95%	6.74%
Ratio of net income to net sales	2.11%	2.70%	3.18%	3.35%
Total assets turnover	2.26	2.83	2.88	3.02
Shareholders' equity ratio	53.69%	39.87%	47.43%	54.15%
Net assets per share	¥825.28	¥966.41	¥566.87*	¥669.28
PER	20.66	20.51	19.79	10.29
PBR	1.60	3.21	3.85	1.89
(Reference) Share price at end of period	¥1,328	¥3,100	¥2,185	¥1,266

The figures with * show amounts after stock split.

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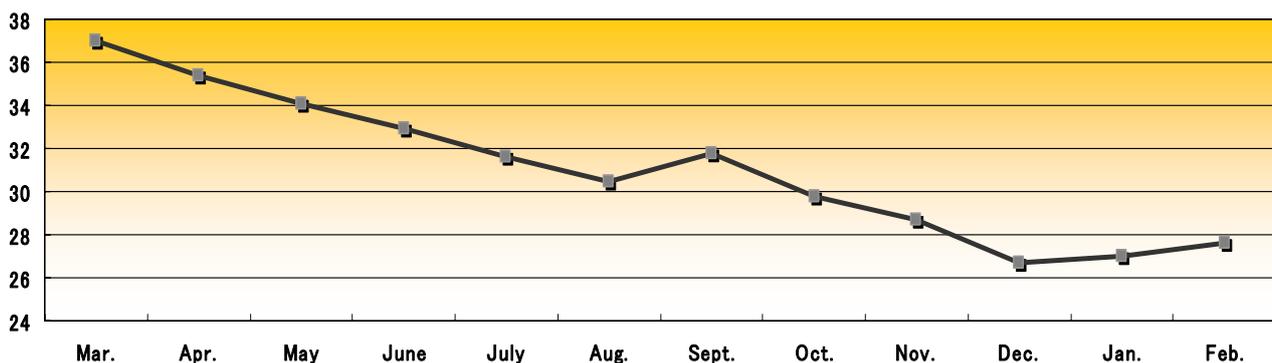
§ 2 Business Environment

1) Changes in Business Environments

Abroad and domestic business environments

- **Overseas:** Worldwide recession stemming from financial turmoil, dramatic changes in the economic environment
- **Japan:** Collapsed corporate earnings, post-WWII-record-high bankruptcies of public companies
Weak employment, postponed capex, restrained spending
Consumers growing defensive due to uncertainty over the economy

Consumer Confidence Index (March 2008 – February 2009)

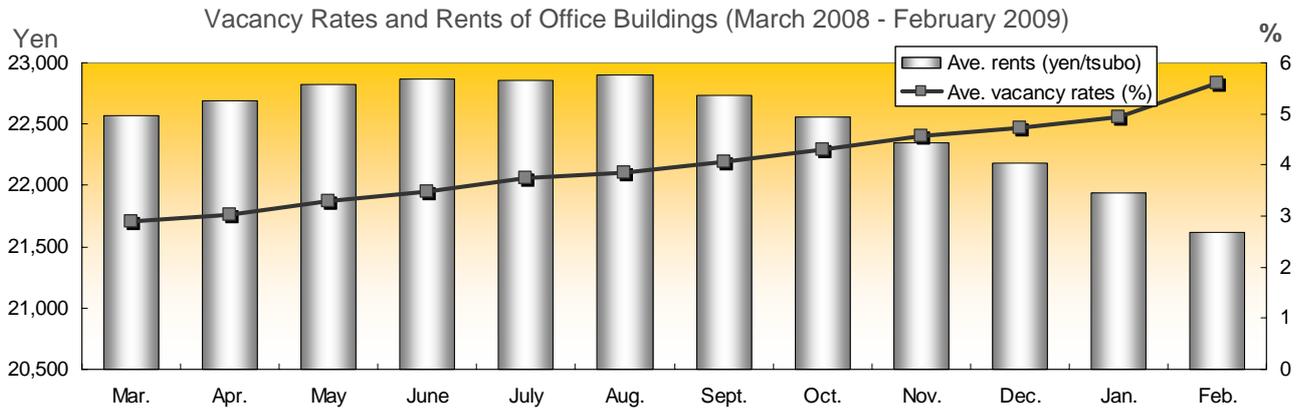


The Development of the Consumer Confidence Index
(all households, original series), Cabinet Office

2) Building Maintenance Business Environment

Property and building maintenance markets

- **Property:** Office vacancy rates rising due to business downsizing, etc. New construction postponed or abandoned (first failure of J-REITs)
Rents / common service fees declining due to supply / demand balance



Office Data in Tokyo Business Areas, Miki Shoji Co., Ltd.



§ 3 Basic Policies and Strategies for FY2009



Basic Policies for FY2009

This crisis provides an opportunity for growth via new strategies.

- Expanding business opportunities
Greater cost consciousness will create opportunities for our solutions.
- Build up competitive corporate resilience
Reduce ratio / amount of costs, discover / develop future management staff
- Organizational reform implemented (March 1)
Strengthen sales expertise, promote operational improvement, streamline HQ

- Significant deterioration of the real economy
- Deceleration of new large openings for the AEON Group

Difficult conditions are a “blessing in disguise” for reforming staff consciousness.
Break away from fixed notions to establish a new setup

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1) Growth Management (1)

Increase efforts to expand marketing

“The Beginning of a New Stage”

Realignment of Sales Organizations

For Non-Group

- Manage Sales Dep't across the nation
- Bulk contracts via networks and collective strength
- Offer solutions to increasingly cost-conscious companies

Sales Division

From individual management to total management

From individual contracts to blanket orders

Addressing the emerging demand for safety, eco-friendliness, etc.

For AEON Group

- Thorough pursuit of intra-Group synergies
- Offer solutions contributing to the AEON Manifesto on the Prevention of Global Warming
- Secure contracts for new stores
- Solutions made from the customer's viewpoint

Group Sales Division

Sales Division and Group Sales Division established March 1

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1) Growth Management (2)

Accelerated progress of overseas operations

Overseas business step-up policies

- Increase capacity in China for contracts involving more than one store
- Tap into AEON Beijing International's track record to expand to third-party businesses
- Promote Asian strategies (other cities in China, SEA, etc.)
- **International Department** established to lead future overseas strategies (Jan. 1)
- Study commenced on business expansion to Qingdao and South China



AEON Beijing International Co., Ltd.



1) Growth Management (3)

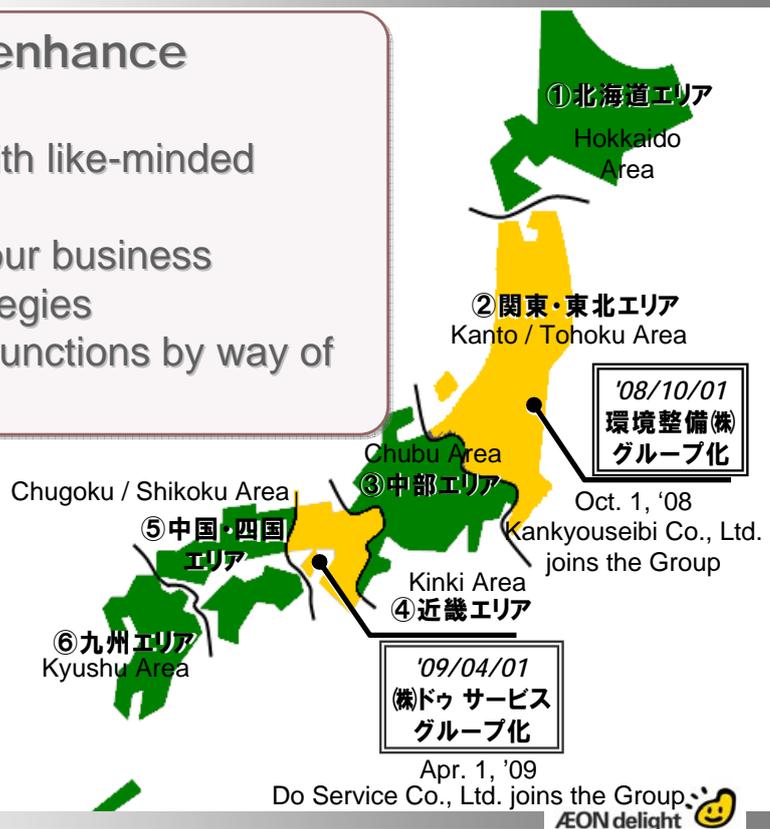
Further promote M&A strategies

Increase earnings and enhance functions through M&As

- Compete aggressively with like-minded partners
- Programs optimized for our business segments / regional strategies
- Compensate for lacking functions by way of M&As

New partners to be made wholly-owned subsidiaries

- Kankyouseibi: June 2009
- Do Service: Sept. 2009



1) Growth Management (4)

Accelerate the drive to reduce environmental impact

Initiatives for reducing environmental impact

- Build a business model for reducing environmental impact
- Apply intra-Group know-how to solutions for third-party customers
- Establishment of renovation department to utilize our innovative solutions

Preventing cool air from leaking out during the night



Cooling case night shutter

Low power consumption lighting



LED lighting

Control power consumption using heat of vaporization
Equipment life extended



Outdoor equipment sprinkler system

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2) Quality Management (1)

Re-engineer earnings structure

- Apply the results of the experiments of “Cleaning as a Core Business” to all branch offices

Promote the “Cleaning as a Core Business Project” under the lead of branch managers

- *Deploy the project nationwide by the end of 1H*
- *Share acquired know-how on “changing the way we work” and “productivity enhancement” with suppliers and AEON Delight Group companies*

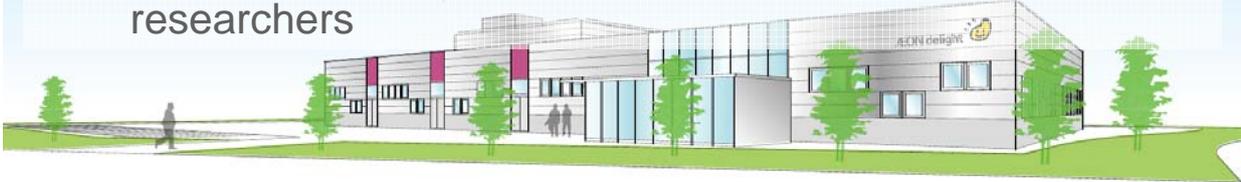
Profitability improvement hoped for in mid-2009 or thereafter

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2) Quality Management (2)

Efforts for innovation and industrialization of maintenance

- Develop core personnel with a holistic view and managers for the next generation
- Analyze / study work efficiency using industrial engineering (IE)
- Collaborate with advanced businesses and government offices for technological innovation
- Develop human resources such as engineers and researchers



At “AEON Delight Academy Nagahama” (due to open this year), we will study service science for industrialization of the maintenance business.

2) Quality Management (3)

Introduce man-hour productivity indicators

- Change corporate culture by introducing man-hour productivity indicators

Introduce “man-hour productivity indicators” at each center

Hourly gross margin per capita

Establish a PDCA cycle

- Share the man-hour productivity indicators with everyone
- Advance management based on these indicators.
- Identify problems and issues → Improve the way we work

Think and change by ourselves to become a group of companies whose staff possess a proactive spirit

Improve work efficiency and profitability

First step toward industrialization of the building maintenance service

§ 4 FY2009 Earnings Forecast

FY2009 Earnings Forecast

Millions of yen

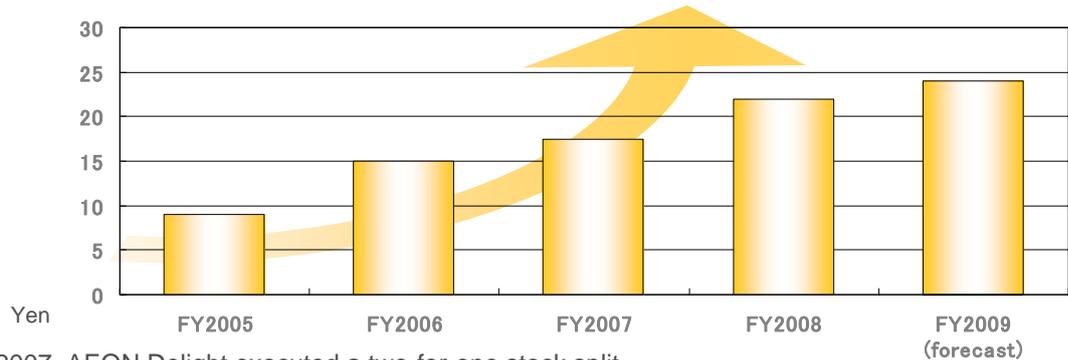
	FY2009 Forecast			FY2008 Results	
	Amount	% to net sales	YoY change (%)	Amount	% to net sales
Net sales	150,000	100.0	103.0	145,690	100.0
Operating income	10,100	6.7	101.5	9,946	6.8
Ordinary income	9,900	6.6	100.9	9,812	6.7
Net income	5,200	3.5	106.6	4,876	3.3

Reward shareholders in light of growth

	FY2005	FY2006	FY2007	FY2008
Dividends paid	¥9.0	¥15.0	¥17.5	¥22.0

FY2009
¥24.0
(provisional)

Dividends expected to shoot up to 2.7 times those in FY2005



* As of December 1, 2007, AEON Delight executed a two-for-one stock split. The above dividends are calculated on the assumption that such a stock split was executed at the beginning of FY2005.

Moving on to the Next Growth Stage

2020 Project kicked off!

In FY2009, we will fully prepare ourselves for the next growth stage.

Visions

- Deep understanding of environmental changes
- Reorganization of business domains
- Global viewpoints
- Industrialization of building maintenance

*Our goal for 2020
"Aspirations / Visions"
Enhance corporate value*

Pursue the creation of "environmental value"

§ 5 Reference

Delight Way – Managing Principles / Visions -

At AEON Delight, we pursue the creation of “environmental value” for our customers.



We will continue to be a pioneer in creating “environmental value” that perpetually promotes an improvement of safety and comfort.

The AEON Delight Group

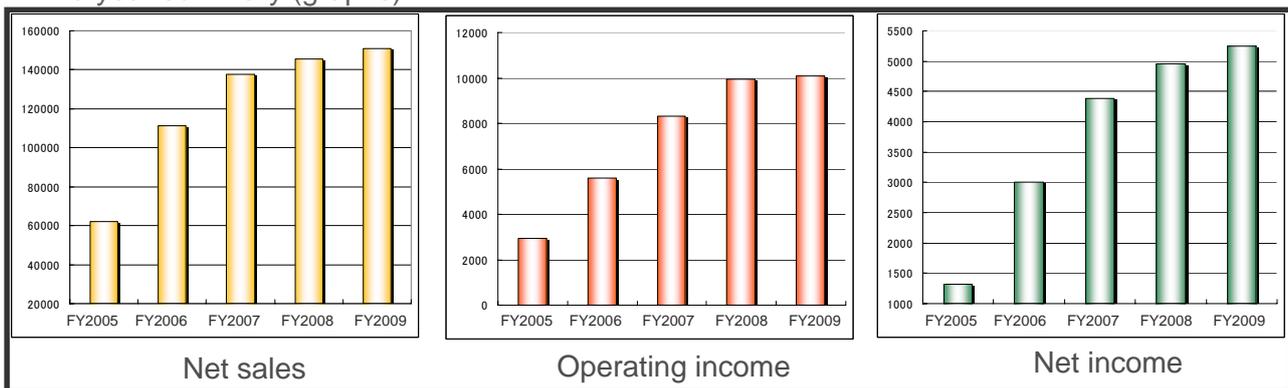
With the joining of Kankyouseibi and Do Service, the AEON Delight Group now comprises 8 domestic companies and 1 overseas company.



(Reference) Profit and Loss Analysis

1. Five-year summary (graphs)

Millions of yen



2. Five-year summary (numbers)

Millions of yen

	FY2005		FY2006		FY2007		FY2008		FY2009 (forecast)	
	Results	% to net sales	Forecast	% to net sales						
Net sales	62,323	100.0	111,170	100.0	137,519	100.0	145,690	100.0	150,000	100.0
Operating income	2,949	4.7	5,576	5.0	8,330	6.1	9,946	6.8	10,100	6.7
Ordinary income	2,953	4.7	5,485	4.9	8,186	6.0	9,812	6.7	9,900	6.6
Net income	1,324	2.1	2,998	2.7	4,379	3.2	4,875	3.3	5,200	3.5

(Reference) Employees

1. Number of employees

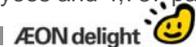
		FY2003	FY2004	FY2005	FY2006	FY2007	FY2008
Regular employees	Male	1,898	2,306	2,396	3,810	4,013	4,642
	Female	100	157	184	367	378	564
	Total	1,998	2,463	2,580	4,177	4,391	5,206
Contract employees, Contract employees for special duties	Male	887	745	606	1,094	1,379	1,248
	Female	176	131	132	133	136	107
	Total	1,063	876	738	1,227	1,515	1,355
Part-time workers		3,332	2,499	2,444	2,834	2,652	3,333
Total		6,393	5,838	5,762	8,238	8,558	9,894

2. Average age

	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008
Average age	43.1	41.8	44.1	45.2	46.9	47.1

◇ The above data are current as of February 28, 2009. Numbers for part-time workers are calculated by dividing total monthly working hours by 172 hours.

The total number of employees is 11,348: 6,561 regular / contract / specialized-duty contract employees and 4,787 part-time workers.

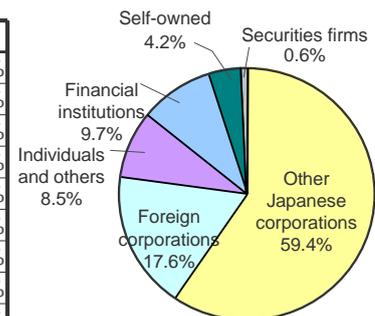


(Reference) Shareholders / Stock Price

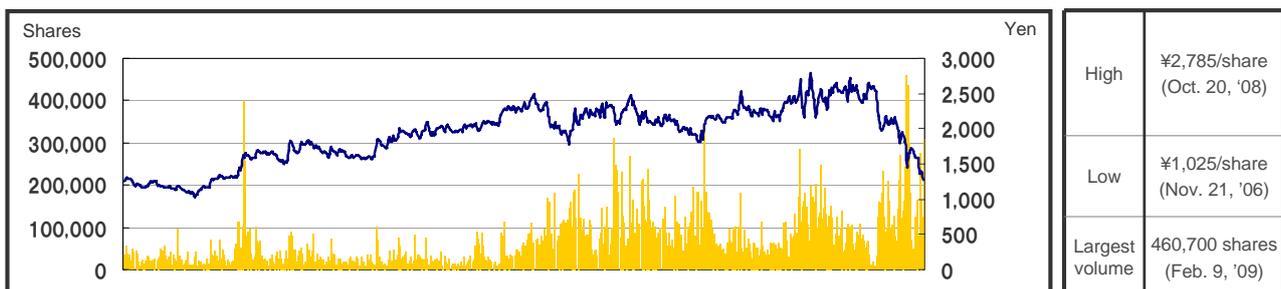
1. Major shareholders (top 10)

Place		Ratio to the total number of shares outstanding	
		No. of shares owned	%*
1	MYCAL Corp.	23,261,800	56.2%
2	Treasury stock	1,729,647	4.2%
3	State Street Bank and Trust Company	1,367,292	3.3%
4	Japan Trustee Services Bank, Ltd.	1,345,600	3.3%
5	The Chase Manhattan Bank N.A. London SL Omnibus Account	780,700	1.9%
6	Japan Trustee Services Bank, Ltd.	743,300	1.8%
7	The Master Trust Bank of Japan, Ltd.	621,700	1.5%
8	AEON Co., Ltd.	560,800	1.4%
9	AEON Delight Employee Stock Ownership Association	551,700	1.3%
10	Mellon Bank NA as Agent for its Client Mellon Omnibus US Pension	426,579	1.0%

2. Shareholders by type



3. Stock price (September 1, 2006 – February 28, 2009)



◇ The above data is current as of February 28, 2009. Prices on and before November 30, 2007, have been converted to those after the stock split.



- This material contains certain statements describing the future plans, strategies, and performance of AEON Delight.
- ◇ These statements are not based solely on historical facts, but rather on assumptions and estimates based on currently available information. Because of this, AEON Delight's actual performance may differ materially from the assumptions and estimates supplied.
- Unless otherwise stated, the following applies to data supplied.
 - ◇ All numbers are on a consolidated basis.
 - ◇ Any fraction below one million yen is disregarded.
 - ◇ Percentages are rounded to one decimal place.



Thank you very much for your kind attention.
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