

Summary Report of Consolidated Financial Results for the Fiscal Year Ended February 28, 2011

April 14, 2011

Listed company name: AEON DELIGHT CO., LTD.	Listed exchanges: Tokyo Stock Exchange and Osaka Securities Exchange (First Section)
Stock code: 9787	URL http://www.aeondelight.co.jp
Representative: (Title) President and CEO	(Name) Yuiken Tsutsumi
Contact: (Title) General Manager, Corporate Strategy Dept.	(Name) Yoshiyuki Kyomoto TEL +81-6-6260-5632
Planned date of ordinary general meeting of shareholders: May 24, 2011	Planned date for commencement of dividend payments: May 10, 2011
Planned date for filling of annual securities report: May 24, 2011	

(Amounts of less than one million yen have been rounded down.)

1. Consolidated Results for the Fiscal Year Ended February 28, 2011 (from March 1, 2010 to February 28, 2011)

(1) Consolidated Operating Results

(Percentage figures show year-on-year change.)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year Ended Feb. 28, 2011	170,905	21.8	12,031	20.7	12,089	22.0	6,495	18.8
Year Ended Feb. 28, 2010	140,299	(3.7)	9,970	0.2	9,912	1.0	5,466	12.1

	Net Income per Share	Diluted Net Income per Share	Return on Equity	Ratio of Ordinary Income to Total Assets	Ratio of Operating Income to Net Sales
	Yen	Yen	%	%	%
Year Ended Feb. 28, 2011	142.56	142.28	15.5	18.1	7.0
Year Ended Feb. 28, 2010	137.79	137.58	18.9	20.3	7.1

(Reference)

Equity in net income of affiliates	Year ended Feb. 28, 2011	41 million yen
	Year ended Feb. 28, 2010	3 million yen

(2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
As of Feb. 28, 2011	84,624	52,887	62.3	1,005.62
As of Feb. 28, 2010	48,670	31,364	64.2	787.84

(Reference)

Shareholders' equity	As of February 28, 2011	52,738 million yen
	As of February 28, 2010	31,253 million yen

(3) Consolidated Cash Flows

	Cash Flows from Operating Activities	Cash flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at End of Period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year Ended Feb. 28, 2011	6,808	(3,000)	(1,321)	12,317
Year Ended Feb. 28, 2010	7,031	(1,966)	(4,169)	7,873

2. Dividends

(Record Date)	Dividends per Share					Total Dividends (annual)	Payout Ratio (consolidated)	Ratio of Dividends to Net Assets (consolidated)
	End of the 1 st Quarter	End of the 2 nd Quarter	End of the 3 rd Quarter	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year Ended February 28, 2010	-	12.00	-	15.00	27.00	1,071	19.6	3.7
Year Ended February 28, 2011	-	17.00	-	22.00	39.00	1,828	27.4	4.3
Year Ending February 29, 2012 (Forecast)	-	20.00	-	20.00	40.00		27.6	

Note: The Company merged with CERTO Corporation effective as of September 1, 2010. A merger commemorative dividend of 5.00 yen per share is included in the year-end dividend for the fiscal year ended on February 28, 2011. The consolidated payout ratio excluding the commemorative dividend of 5.00 yen is 23.8%.

3. Forecast of Consolidated Results for the Year Ending February 29, 2012 (from March 1, 2011 to February 29, 2012)

(Figures expressed in percentages represent year-on-year percentage changes.)

	Net sales		Operating Income		Ordinary Income		Net Income		Net Income per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending August 31, 2011									
Year Ending February 29, 2012	104,000	51.1	6,900	37.4	6,900	36.5	3,700	33.4	70.55
	213,000	24.6	14,300	18.8	14,300	18.3	7,600	17.0	144.92

4. Other Remarks

- (1) Changes in significant subsidiaries during the period : None
(changes in specified subsidiaries resulting in changes in scope of consolidation)
Newly Included: - Excluded: -
Note: For more details, please refer to "Corporate Group Organization" on page 5.
- (2) Changes in the principles, procedures, or methods of presentation for accounting treatment related with the preparation of the financial statements as described in "Significant Changes in the Basis for Preparation of the Financial Statements."
1) Change arising from revisions of accounting standards: No
2) Change due to reasons other than described above: Yes
Note: For more details, please refer to "Changes in Significant Items That Constitute the Basis for Preparing Consolidated Financial Statements" on page 15.
- (3) Number of shares issued (common stock)
 - 1) Number of shares outstanding at end of period (including treasury shares)

	As of Feb. 28, 2011:	54,169,633 shares	As of Feb. 28, 2010:	41,400,000 shares
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 - 2) Number of treasury shares at end of period

	As of Feb. 28, 2011:	1,726,306 shares	As of Feb. 28, 2010:	1,729,838 shares
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Note: Number of outstanding shares as calculation base for net income per share (consolidated) is shown in "Per share information" on page 24.

(Reference) Overview of Non-consolidated Results
Non-consolidated Results of Fiscal Year Ended February 28, 2011
(from March 1, 2010 to February 28, 2011)

(1) Non-consolidated Operating Results

(Percentage figures show year-on-year change.)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year Ended Feb. 28, 2011	161,026	27.3	11,058	19.9	11,330	22.2	6,029	19.0
Year Ended Feb. 28, 2010	126,528	(8.8)	9,224	(3.0)	9,274	(1.7)	5,067	5.4

	Net Income per Share	Diluted Net Income per Share
	Yen	Yen
Year Ended Feb. 28, 2011	132.33	132.06
Year Ended Feb. 28, 2010	127.73	127.53

(2) Non-consolidated Position

	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
Year Ended Feb. 28, 2011	82,903	52,100	62.7	990.62
Year Ended Feb. 28, 2010	46,130	31,016	67.0	779.08

(Reference)

Shareholders' equity	As of February 28, 2011	51,951 million yen
	As of February 28, 2010	30,906 million yen

* Information concerning proper use of financial forecasts and other special instructions

The financial forecast provided in the preceding section was prepared on the information available as of the time of publication of the report. Actual results may differ from the forecast due to various factors that may arise in the future. Since the Company conducts consolidated base group financial management, only the consolidated financial forecast is disclosed.

We would like to express our sincerest condolences to the victims of the Great East Japan Earthquake that occurred on March 11, 2011.

The AEON DELIGHT Group is doing everything in its power for the fastest possible recovery of the disaster-stricken area through its renovation business aimed at building maintenance, management, and restoration, and through the provision of a safe and secure environment with supplies of beverages and sanitary goods.

1. Results of Operations

(1) Analysis of Operating Results

<Summary of consolidated results for the fiscal year ended February 28, 2011>

During the consolidated fiscal year ended February 28, 2011, there was some partial economic recovery thanks to economic growth driven by emerging countries and the effect of various policies enacted by the Japanese government. However, the future outlook remains unclear due to the impact of prolonged deflation.

The business environment surrounding the AEON DELIGHT Group continues to be difficult, as companies remain highly aware of cost-saving and reduction. In contrast, we have begun to see some optimistic signs, as companies strengthen initiatives aimed at growth and orders increase for renewal work and business-related materials.

Within this business environment, the Company merged with CERTO Corporation on September 1, 2010 to create a new business called the “Comprehensive Facility Management Service (Comprehensive FMS)” aiming at a new stage of growth. We have strived to be a true partner for our customers by adding new materials-related and vending machine businesses through this merger and providing our customers with an environment that allows them to focus on work that is essential for their business strategy.

As the result of measures enacted for expanding business during the current consolidated fiscal year, business transactions have commenced with a wide variety of customers at facilities for various purposes, such as urban shopping centers and office buildings for foreign-affiliated companies in the Tokyo metropolitan areas, redeveloped complex facilities, airport facilities, distribution centers, etc. In addition, we have started to provide new services through proposals for materials procurement and sales, and management and operation of vending machines.

Although slightly behind initial projections, the results of proposal activities that have been promoted from the current fiscal year began to be gradually seen in the fourth quarter of this fiscal year. Particularly in the field of environmental load reduction, we were able to achieve results that significantly exceeded those of the previous fiscal year through the promotion of various environmental solution businesses, such as the aggressive proposal of environmentally friendly products that utilize know-how gained in the materials-related business, in addition to proposals for traditional CO₂ reduction work.

In continuation of the horizontal integration of the Company's cleaning business model that has been promoted for improving profitability, we have focused on increasing the efficiency of the facilities management business from the beginning of the fiscal year. Particularly at centers that conduct patrol-style facilities management, efficiency has been improved through the optimization of patrol routes using GPS and the optimization of staff and office deployment. In the materials-related business, we have worked towards reducing distribution expenses through decreased inventory.

For the early exploitation of integration synergies, in anticipation of the merger in September of last year we consolidated and streamlined offices in order to reduce selling, general and administrative expenses, and strove to make the administrative department more efficient.

Overseas, we added AEON DELIGHT (BEIJING) COMMERCE CO., LTD. which procures materials and operates vending machines to the AEON DELIGHT Group through the merger with CERTO Corporation. By operating it together with AEON DELIGHT (BEIJING) CO., LTD., we are prepared to promote the comprehensive FMS business in China. In China, we have established businesses with newly opened commercial facilities in Beijing and Tianjin, and have started to provide new services at existing locations in Guangdong.

As a result of these measures, the Company posted consolidated net sales of 170,905 million yen (121.8% year-on-year), operating income of 12,031 million yen (120.7% year-on-year), and ordinary

income of 12,089 million yen (122.0% year-on-year). An extraordinary loss of 985 million yen including merger-related expenses of 724 million yen was posted. After the deduction of extraordinary loss and taxes, net income was 6,495 million yen (118.8% year-on-year) for the fiscal year.

	Year Ended February 28, 2010	Year Ended February 28, 2011	Change	% versus previous fiscal year
Net Sales	Millions of yen 140,299	Millions of yen 170,905	Millions of yen 30,605	121.8
Operating income	9,970	12,031	2,061	120.7
Ordinary Income	9,912	12,089	2,177	122.0
Net Income	5,466	6,495	1,029	118.8

<Results by business segment>

Comprehensive FMS business and other businesses

Net sales were 40,019 million yen for the facilities management business, 32,088 million yen for the security services business, 41,142 million yen for the cleaning services business, 16,420 million yen for the construction work business, 18,718 million yen for the materials-related business, 17,188 million yen for the vending machine business, and 5,271 million yen for the support business.

As a result, net sales were 170,848 million yen for the comprehensive FMS business, resulting in total net sales of 170,905 million yen including other businesses.

Accompanying the merger with CERTO Corporation on September 1, 2010, the materials-related business (acting as a purchase agent for indirect materials and procuring materials) and the vending machine business (conducting management and operations of beverage vending machines) originally conducted by CERTO Corporation were newly added to the AEON DELIGHT Group's range of businesses. As a result, the information reporting segments have changed for the current fiscal year. For an overview of the changes and results by business segment, please refer to 4. Consolidated Financial Statements (7) Notes on consolidated financial statements (Segment Information) [Business segment information] on page 16.

<Forecast for the year ending February 29, 2012>

We forecast consolidated earnings results for the year ending February 29, 2012 as follows:

(Percentage figures show year-on-year change)

	Net Sales		Operating Income		Ordinary Income		Net Income		Net Income per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending Aug. 31, 2011	104,000	51.1	6,900	37.4	6,900	36.5	3,700	33.4	70.55
Year ending Feb. 29, 2012	213,000	24.6	14,300	18.8	14,300	18.3	7,600	17.0	144.92

<Information on proper use of the financial forecast and other special instructions>

The financial forecast described above has been prepared based on the information available as of the date of publication of this report. Actual results may differ from the above-mentioned forecast due to various factors that may arise in the future.

Since the Company conducts consolidated base group financial management, only the consolidated financial forecast is disclosed.

(2) Analysis of Financial Position

<Summary of consolidated financial position for the fiscal year ended February 28, 2011>

Total assets at the end of the fiscal year increased by 35,954 million yen (73.9%) year-on-year to 84,624 million yen.

This increase is attributable mainly to an increase of 5,134 million yen in cash and deposits (including 1,958 million yen carried over from the merger), an increase of 11,962 million yen in notes and accounts receivable-trade (including 9,828 million yen carried over from the merger), an

increase of 15,920 million yen in deposits of subsidiaries and affiliates paid to affiliates under bailment arrangements (including 12,900 million yen carried over from the merger), and a decrease of 788 million yen in amortization of goodwill.

Liabilities at the end of the fiscal year increased by 14,431 million yen (83.4%) year-on-year to 31,737 million yen.

This increase is attributable mainly to an increase of 13,449 million yen in notes and accounts payable-trade, (including 12,942 million yen carried over from the merger), an increase of 719 million yen in accounts payable-other (including 1,306 million yen carried over from the merger), an increase of 653 million yen in income taxes payable (including 587 million yen carried over from the merger), and a decrease of 402 million yen in other current liabilities (including 55 million yen carried over from the merger).

Net assets at the end of the fiscal year increased by 21,523 million yen (68.6%) year-on-year to 52,887 million yen.

This increase is attributable mainly to the increase in capital surplus of 15,770 million yen through the merger and an increase of 6,495 million yen in retained earnings due to the posting of net income for the fiscal year, and a decrease of 1,269 million yen in retained earnings due to dividend payments.

As a result of the above factors, the shareholders' equity ratio was 62.3%.

Note that the total assets carried over from the merger with CERTO Corporation were 31,458 million yen and total liabilities were 15,301 million yen.

<Summary of consolidated cash flows for the fiscal year ended February 28, 2011>

Cash and cash equivalents (hereinafter referred to as "cash") were increased to 12,317 million yen at the end of the fiscal year by adding the year-on-year increase of 2,472 million yen (274.1%) to a total increase of 1,971 million yen, which was brought about by an increase accompanying the merger with CERTO Corporation on September 1, 2010 and a change in the scope of consolidation. The status of cash flows and the major factors involved are described below.

(Cash flows from operating activities)

Net cash provided by operating activities came to 6,808 million yen. The major factors contributing to the net cash inflow were posting of net income before income taxes and minority interests of 11,109 million yen; 1,788 million yen due to amortization of goodwill and depreciation and amortization, which were partially offset by a decrease of 1,188 million yen due to an increase in notes and accounts receivable-trade; a decrease of 523 million yen due to a decrease in accounts payable-other; and a decrease of 4,681 million yen due to income tax payments.

(Cash flows from investing activities)

Net cash used in investing activities amounted to 3,000 million yen. The main factors behind this were an inflow of 818 million yen for collection of loans receivable and an outflow of 3,020 million yen for payments and collection of deposit of subsidiaries and affiliates.

(Cash flows from financing activities)

Net cash used in financing activities was 1,321 million yen. This owed mostly to dividend payments amounting to 1,262 million yen.

Changes in the Group's cash flow indicators are as shown below.

	Year Ended February 28, 2009	Year Ended February 28, 2010	Year Ended February 28, 2011
Shareholders' equity ratio (%)	54.1	64.2	62.3
Shareholders' equity ratio at market value (%)	102.4	99.1	93.4
Ratio of interest-bearing debts to cash flows (%)	0.3	0.0	0.0
Interest coverage ratio	7,361.7	528.7	2,314.4

Shareholders' equity ratio: Shareholders' equity/Total assets

Shareholders' equity ratio at market value: Total market capitalization/Total assets

Ratio of interest-bearing debts to cash flows: Interest-bearing debts/Operating cash flows

Interest coverage ratio: Operating cash flows/Interest paid

- Note:
1. The above-mentioned indicators have been calculated based on consolidated financial data.
 2. Total market capitalization was calculated as the closing stock price at the end of the period multiplied by the number of shares outstanding (excluding treasury stock) at the end of the period.
 3. Interest-bearing debts represent all debts that are recorded in the consolidated balance sheets on which interest is paid.
 4. Operating cash flows are the “net cash provided by (used in) operating activities” reported in the consolidated statements of cash flows.
 5. Interest paid represents the “interest expenses paid” reported in the consolidated statements of cash flows.

(3) Basic Policy on Profit Distribution and Dividends for Fiscal 2011 and 2012

The Company's basic policy is to work towards securing a stable business base and improving return on equity, and providing shareholders dividends based on business performance while maintaining and continuing a stable dividend.

We regard the consolidated payout ratio as an important benchmark and aim to provide a stable dividend payment with a consolidated payout ratio of 20% or higher while taking into account the ratio of dividends to net assets.

We will use retained earnings for proactive investments in sustainable growth and improvement in the quality of the comprehensive FMS business, such as innovation, information technology, human resources development, and M&As. We will endeavor to meet shareholders' expectations by enhancing our corporate value in this manner.

The year-end dividend is 22 yen per share, including the CERTO Corporation merger commemorative dividend on September 1, 2010 of 5 yen per share that was in the initial forecasts. This accounts for an annual dividend of 39 yen per share (up 144.4% year-on-year), including the dividend of 17 yen per share that was already provided.

As for dividend payments for fiscal year 2012, we project an annual dividend of 40 yen per share, an increase of 1 yen from the dividend of 39 yen per share from this year that included the merger commemorative dividend of 5 yen per share (an interim dividend of 20 yen per share and a year-end dividend of 20 yen per share; an increase of 102.6% from the annual dividend to be paid for the current fiscal year).

2. Corporate Group Organization

The AEON DELIGHT Group comprises AEON DELIGHT CO., LTD. ("AEON DELIGHT"), ten consolidated subsidiaries, and one equity method affiliate. AEON DELIGHT is also a member of the corporate group of AEON Co., Ltd., a pure holding company. The AEON Group organizes its operating companies into 12 segments (GMS <general merchandise stores>, SM <supermarkets>, discount store business, strategic small stores, drugstore & pharmacy business, integrated financial services, shopping center development, services, specialty stores, group IT and digital business, ASEAN business, and the China business).

The AEON DELIGHT Group is positioned in service operations among the afore-mentioned business segments of AEON Co., Ltd., and as one of the core companies of the AEON Group, it is engaged in the comprehensive FMS (facility management service) business, which consists of total management and operations of the customer's non-core business in order to create a comfortable environment so that the customer can focus on their core business.

(1) Comprehensive FMS business

1) Facilities management business

Business that conducts the preservation, inspection, maintenance, etc. of buildings facilities

2) Security services business

Business that provides comprehensive security services including security for facilities, security to handle crowds and traffic, security for transporting valuable goods, etc.

3) Cleaning services business

Business that conducts the cleaning of buildings and facilities

4) Construction work business

Business that conducts large-scale renovation and interior design work, makes environmental load reduction proposals, and installs solar power generation systems

5) Materials-related business

Business that acts as a purchase agent for indirect materials and procures materials, etc.

6) Vending machine business

Business that operates beverage vending machines, cares for foliage plants, and maintains air purification units

7) Support business

Business that includes the retail store business, technical training business, temporary staffing business, and document management business

(2) Other businesses

Real estate lease business

3. Management Policy

(1) Basic management policy

The Company made a new start from September 1, 2010 as the new AEON DELIGHT, aiming at a new level of growth. The Company has established a new Management Principle: "We pursue the creation of environmental value for the customers and for the local communities." Through this, the Company will act as a member of the local community and promote initiatives aimed at becoming a true partner company for our customers while we create and provide environmental value.

Based on this Management Principle, we will contribute to the sustainable development of society as a pioneer in the comprehensive FMS business by continuing to develop safety, security, and comfort in our society. Our basic management policy is to aim for the maximization of corporate value so that we are highly trusted and valued by all of our stakeholders, including our shareholders and customers.

(2) Medium- and long-term corporate business strategy and issues to be addressed

The AEON DELIGHT Group has formulated a three-year medium-term business strategy starting in fiscal year 2011 aimed at further growth under the comprehensive FMS business. There are concerns about the business environment due to the impact of the Great East Japan Earthquake that occurred on March 11, 2011. Conversely, because of this environment, we believe we can achieve even further improvement of corporate value by providing proposals aimed at safety and security or environmental load reduction, while contributing to society.

<Specialization and integration through the Comprehensive FMS business>

The AEON DELIGHT Group aims at becoming a true partner company for our customers and increasing competitiveness for our comprehensive FMS business (pursuit of specialization), while expanding our service menu in response to the wide variety of customer needs in expanding business fields (strengthening of integrative capabilities).

(Pursuit of specialization)

The Company has promoted a total of six main businesses (facilities management, security services, cleaning services, construction work, materials-related, and vending machines) as the largest comprehensive building maintenance company in Japan and the largest back-office support company in the industry. In the future, we aim to further increase the specialization of these businesses through innovation and improve our competitiveness in these fields.

(Strengthening of integrative capabilities)

We aim at expanding our service menu in response to the needs of our customers while focusing on our six core comprehensive FMS businesses mentioned above. In addition, in order to take care of all of our customers' wide range of non-core businesses, we will conduct a detailed study of each customer's expenses to define waste and unevenness and promote sales activities to provide corresponding solutions.

<Initiatives aimed at gaining new growth opportunities>

Aiming for growth, the AEON DELIGHT Group will give special attention to the following three markets from the perspective of gaining long-term growth opportunities.

• **Environmental load reduction market**

As it is expected that environmental load reduction needs will increase even more in the future, the AEON DELIGHT Group will also further strengthen initiatives in this field. We will provide environmental solutions from a new perspective based on the understanding of the businesses of companies we have gained through initiatives in the past, and exploiting the experience and know-how we have gained managing the buildings of customers.

• **Major urban area market**

Many companies are making preparations for the expansion of new businesses in response to shifts in demography in Japan, including the aging population and declining birthrate and the shift to urban areas. In response to these changes, the AEON DELIGHT Group will advance with the construction of new business models in the major urban areas. The AEON DELIGHT Group will leverage its strengths to conduct comprehensive proposals for small-scale commercial facilities, which are expected to particularly increase in major urban areas in the future. In addition, we will strengthen business aimed at apartments as demand is expected to increase due to the aging society and return to urban areas, and also enter businesses aimed at the B2B2C market as well.

- **Asian market**

We will maintain a watch on trends in the rapidly growing Asian countries and aggressively allocate business resources in response to growth in this market.

We will further increase the business know-how we have gained in China through initiatives in the past to further accelerate business expansion. Besides China and in addition to Vietnam, where preparations are already under way, we will proceed with initiatives aimed at growth in other regions in Asia.

4. Consolidated Financial Statements, etc.
 (1) Consolidated Financial Statements
 1) Consolidated Balance Sheet

(millions of yen)

	Year Ended Feb. 28, 2010 (As of Feb. 28, 2010)	Year Ended Feb. 28, 2011 (As of Feb. 28, 2011)
Assets		
Current assets		
Cash and deposits	7,964	13,098
Notes and accounts receivable-trade	16,284	28,246
Inventories	20	1,476
Deferred tax assets	1,067	1,265
Deposit of subsidiaries and affiliates	3,000	18,920
Other	1,811	1,741
Allowance for doubtful accounts	(122)	(226)
Total current assets	30,026	64,524
Noncurrent assets		
Property, plant and equipment		
Buildings	1,185	1,234
Machinery for area control, net	305	265
Tools, furniture and fixtures, net	—	1,791
Land	284	284
Construction in progress	15	—
Other	951	181
Total property, plant and equipment	2,741	3,756
Intangible assets		
Goodwill	11,295	10,546
Other	629	1,030
Total intangible assets	11,924	11,577
Investments and other assets		
Investment securities	2,050	2,983
Long-term loans receivable	65	—
Deferred tax assets	289	278
Other	1,712	1,700
Allowance for doubtful accounts	(141)	(196)
Total investments and other assets	3,977	4,766
Total noncurrent assets	18,644	20,100
Total assets	48,670	84,624

(millions of yen)

	Year Ended Feb. 28, 2010 (As of Feb. 28, 2010)	Year Ended Feb. 28, 2011 (As of Feb. 28, 2011)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	8,974	22,424
Short-term loans payable	55	24
Current portion of long-term loans payable	25	25
Accounts payable-other	2,104	2,824
Income taxes payable	2,191	2,844
Accrued consumption taxes	494	485
Provision for bonuses	738	776
Provision for reward of business performance	101	127
Other	1,594	1,191
Total current liabilities	16,281	30,724
Noncurrent liabilities		
Long-term loans payable	31	6
Deferred tax liabilities	185	407
Provision for retirement benefits	577	487
Provision for directors' retirement benefits	65	51
Other	164	58
Total noncurrent liabilities	1,024	1,012
Total liabilities	17,306	31,737
Net assets		
Shareholders' equity		
Capital stock	3,238	3,238
Capital surplus	2,964	18,741
Retained earnings	25,366	30,575
Treasury stock	(461)	(461)
Total shareholders' equity	31,107	52,092
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	149	664
Foreign currency translation adjustment	(3)	(19)
Total valuation and translation adjustments	145	645
Subscription rights to shares	110	149
Total net assets	31,364	52,887
Total liabilities and net assets	48,670	84,624

2) Consolidated Statement of Income

(millions of yen)

	Year Ended Feb. 28, 2010 (March 1, 2009 –Feb. 28, 2010)	Year Ended Feb. 28, 2011 (March 1, 2010 –Feb. 28, 2011)
Net sales	140,299	170,905
Cost of sales	119,180	146,916
Gross profit	21,118	23,989
Selling, general and administrative expenses	11,148	11,957
Operating income	9,970	12,031
Non-operating income		
Interest income	27	56
Dividends income	30	33
Equity in earnings of affiliates	3	41
Other	28	76
Total non-operating income	88	208
Non-operating expenses		
Interest expenses	18	2
Loss on cancellation of company housing	31	51
Loss on retirement of noncurrent assets	41	47
Compensation for accident expenses	14	16
Adjustment of labor insurance expenses	9	—
Other	30	30
Total non-operating expenses	147	149
Ordinary income	9,912	12,089
Extraordinary income		
Gain on sales of investment securities	—	3
Gain on sales of memberships	—	1
Reversal of provision for retirement benefits	290	—
Reversal of allowance for doubtful accounts	83	—
Compensation income	54	—
Other	29	—
Total extraordinary income	457	5
Extraordinary loss		
Management integration expenses	—	724
Welfare expenses for prior periods	—	181
Impairment loss	190	—
Loss on retirement of noncurrent assets	28	—
Other	15	79
Total extraordinary losses	234	985
Income before income taxes and minority interests	10,134	11,109
Income taxes-current	4,045	4,739
Income taxes-deferred	572	(125)
Total income taxes	4,618	4,613
Minority interests in income	50	—
Net income	5,466	6,495

3) Statements of Changes in Shareholders' Equity

(millions of yen)

	Year Ended Feb. 28, 2010 (March 1, 2009 – Feb. 28, 2010)	Year Ended Feb. 28, 2011 (March 1, 2010 – Feb. 28, 2011)
Shareholders' equity		
Capital stock		
Balance at the end of previous period	3,238	3,238
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	3,238	3,238
Capital surplus		
Balance at the end of previous period	2,963	2,964
Changes of items during the period		
Disposal of treasury stock	1	5
Increase by merger	—	15,770
Total changes of items during the period	1	15,776
Balance at the end of current period	2,964	18,741
Retained earnings		
Balance at the end of previous period	20,852	25,366
Changes of items during the period		
Dividends from surplus	(952)	(1,269)
Net income	5,466	6,495
Increase by merger	—	(17)
Total changes of items during the period	4,514	5,208
Balance at the end of current period	25,366	30,575
Treasury stock		
Balance at the end of previous period	(461)	(461)
Changes of items during the period		
Purchase of treasury stock	(8)	(1)
Disposal of treasury stock	8	1
Increase by merger	—	(0)
Total changes of items during the period	(0)	(0)
Balance at the end of current period	(461)	(461)
Total shareholders' equity		
Balance at the end of previous period	26,592	31,107
Changes of items during the period		
Dividends from surplus	(952)	(1,269)
Net income	5,466	6,495
Purchase of treasury stock	(8)	(1)
Disposal of treasury stock	9	6
Increase by merger	—	15,753
Total changes of items during the period	4,515	20,984
Balance at the end of current period	31,107	52,092
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at the end of previous period	(30)	149

(millions of yen)

	Year Ended Feb. 28, 2010 (March 1, 2009 – Feb. 28, 2010)	Year Ended Feb. 28, 2011 (March 1, 2010 – Feb. 28, 2011)
Changes of items during the period		
Net changes of items other than shareholders' equity	180	514
Total changes of items during the period	<u>180</u>	<u>514</u>
Balance at the end of current period	<u>149</u>	<u>664</u>
Foreign currency translation adjustment		
Balance at the end of previous period	(11)	(3)
Changes of items during the period		
Net changes of items other than shareholders' equity	7	(15)
Total changes of items during the period	<u>7</u>	<u>(15)</u>
Balance at the end of current period	<u>(3)</u>	<u>(19)</u>
Total valuation and translation adjustments		
Balance at the end of previous period	(42)	145
Changes of items during the period		
Net changes of items other than shareholders' equity	188	499
Total changes of items during the period	<u>188</u>	<u>499</u>
Balance at the end of current period	<u>145</u>	<u>645</u>
Subscription rights to shares		
Balance at the end of previous period	72	110
Changes of items during the period		
Net changes of items other than shareholders' equity	38	38
Total changes of items during the period	<u>38</u>	<u>38</u>
Balance at the end of current period	<u>110</u>	<u>149</u>
Minority interests		
Balance at the end of previous period	1,456	—
Changes of items during the period		
Net changes of items other than shareholders' equity	(1,456)	—
Total changes of items during the period	<u>(1,456)</u>	<u>—</u>
Balance at the end of current period	<u>—</u>	<u>—</u>
Total net assets		
Balance at the end of previous period	28,079	31,364
Changes of items during the period		
Dividends from surplus	(952)	(1,269)
Net income	5,466	6,495
Purchase of treasury stock	(8)	(1)
Disposal of treasury stock	9	6
Increase by merger	—	15,753
Net changes of items other than shareholders' equity	(1,230)	538
Total changes of items during the period	<u>3,284</u>	<u>21,523</u>
Balance at the end of current period	<u>31,364</u>	<u>52,887</u>

4) Consolidated Statement of Cash Flows

	(millions of yen)	
	Year Ended Feb. 28, 2010 (March 1, 2009 – Feb. 28, 2010)	Year Ended Feb. 28, 2011 (March 1, 2010 – Feb. 28, 2011)
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	10,134	11,109
Depreciation and amortization	728	999
Impairment loss	190	—
Amortization of goodwill	865	788
Increase (decrease) in provision for bonuses	(84)	(14)
Increase (decrease) in provision for retirement benefits	2	(89)
Increase (decrease) in provision for directors' retirement benefits	7	(13)
Interest and dividends income	(57)	(89)
Interest expenses	18	2
Loss (gain) on sales of property, plant and equipment	75	60
Loss on cancellation of company housing	31	51
Loss (gain) on valuation of investment securities	4	67
Decrease (increase) in notes and accounts receivable-trade	2,507	(1,188)
Increase (decrease) in notes and accounts payable-trade	(1,986)	496
Increase (decrease) in accounts payable-other	(493)	(523)
Decrease (increase) in accounts receivable-other	48	(40)
Other, net	(776)	(216)
Subtotal	11,219	11,400
Interest and dividends income received	59	92
Interest expenses paid	(13)	(2)
Income taxes paid	(4,233)	(4,681)
Net cash provided by (used in) operating activities	7,031	6,808
Net cash provided by (used in) investing activities		
Proceeds from withdrawal of time deposits	806	91
Payments into time deposits	(91)	(511)
Purchase of property, plant and equipment	(793)	(541)
Proceeds from sales of property, plant and equipment	47	114
Purchase of intangible assets	(119)	(251)
Purchase of investment securities	(5)	(4)
Proceeds from sales of investment securities	6	90
Purchase of investments in subsidiaries	(1,608)	—
Purchase of investments in subsidiaries resulting in change in scope of consolidation	125	—
Payments for deposit of subsidiaries and affiliates	(79,800)	(135,840)
Collection of deposit of subsidiaries and affiliates	79,300	132,820
Payments of loans receivable	(3)	—
		(millions of yen)

	Year Ended Feb. 28, 2010 (March 1, 2009 – Feb. 28, 2010)	Year Ended Feb. 28, 2011 (March 1, 2010 – Feb. 28, 2011)
Collection of loans receivable	64	818
Payments for guarantee deposits	(52)	292
Proceeds from collection of guarantee deposits	47	(154)
Other, net	105	76
Net cash provided by (used in) investing activities	(1,966)	(3,000)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(1,017)	(27)
Liquidation of claims credit loans payable	(1,500)	—
Repayment of long-term loans payable	(697)	(25)
Cash dividends paid	(951)	(1,262)
Net decrease (increase) in treasury stock	0	(1)
Other, net	(2)	(5)
Net cash provided by (used in) financing activities	(4,169)	(1,321)
Effect of exchange rate change on cash and cash equivalents	7	(13)
Net increase (decrease) in cash and cash equivalents	902	2,472
Cash and cash equivalents at beginning of period	6,970	7,873
Increase in cash and cash equivalents resulting from merger	—	1,958
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	—	13
Cash and cash equivalents at end of period	7,873	12,317

(5) Notes on Premise of Going Concern
None

(6) Changes in Significant Items That Constitute the Basis for Preparing Consolidated Financial Statements

(Change in accounting policy)

"Partial Revision (no. 3) of Accounting Standards for Retirement Benefits" (Statement No. 19 issued by the Accounting Standards Board of Japan on July 31, 2008) is applied from the current consolidated fiscal year.

This change will not have a material effect on income or expenses.

(Change in presentation method)

Because the materiality of tools, furniture and fixtures, which was included in "Other" in property, plant and equipment during the previous fiscal year, has increased, it is listed separately from the current fiscal year. The amount of tools, furniture and fixtures, at the end of the previous fiscal year was 876 million yen.

Because the amount of long-term loans receivable, which was listed separately on the balance sheet during the previous fiscal year, has decreased, it is included in "Other" (46 million yen for the current fiscal year) in investments and other assets from the current fiscal year.

(7) Notes on Consolidated Financial Statements
(Segment Information)

[Business segment information]

Fiscal year ended February 28, 2010 (from March 1, 2009 to February 28, 2010)

(millions of yen)

	Building Management				Other Operations	Total	Eliminations/ corporate	Consolidated
	Facility management	Security	Cleaning	Construction work	Other businesses			
I. Net Sales and operating income or loss								
Net sales								
(1) Sales to unaffiliated customers	41,666	34,281	45,050	13,889	5,412	140,299	—	140,299
(2) Intersegment sales or transfer	10	141	127	156	578	1,013	(1,013)	—
Total sales	41,676	34,422	45,177	14,046	5,990	141,313	(1,013)	140,299
Operating expenses	37,168	31,684	39,397	12,724	5,242	126,217	4,111	130,329
Operating income	4,507	2,738	5,780	1,321	748	15,095	(5,125)	9,970
II. Assets, depreciation and amortization, impairment loss and capital expenditures								
Assets	9,099	4,062	5,187	825	368	19,543	29,126	48,670
Depreciation and amortization	97	74	240	8	11	433	295	728
Impairment loss	—	—	—	—	51	51	138	190
Capital expenditures	61	34	220	1	—	317	791	1,109

Notes: 1. Business segments are classified based on the internal control framework.

2. Main services of each business segment are as follows:

(1) Building Management

- a. Facility management business: Building facility maintenance, inspection, and improvement
- b. Security business: Security and guards for building facilities and events
- c. Cleaning business: Environmental preservation for building facilities
- d. Construction work business: Repair work for building facilities

(2) Other Businesses

- a. Other businesses: Technical training and temporary staffing business, business incidental to store operations management, document control business, etc.
3. Unallocable operating expenses included in eliminations/corporate amount to 5,125 million yen, and consist mainly of general affairs and other administrative expenses of the Company.
4. Corporate assets included in eliminations/corporate amount to 29,126 million yen, and consist mainly of surplus funds (cash deposits), long-term investments (investment securities), goodwill, and assets belonging to the administrative function of the Company.

Fiscal year ended February 28, 2011 (from March 1, 2010 to February 28, 2011)

(millions of yen)

	Comprehensive FMS business							Other businesses	Total	Eliminations / corporate	Consolidated
	Facilities management business	Security services business	Cleaning services business	Construction work business	Materials-related business	Vending machine business	Support business				
I. Net sales and operating income or loss											
Net sales											
(1) Sales to unaffiliated customers	40,019	32,088	41,142	16,420	18,718	17,188	5,271	56	170,905	—	170,905
(2) Intersegment sales or transfer	27	347	156	210	1	—	669	167	1,580	(1,580)	—
Total sales	40,047	32,435	41,298	16,630	18,720	17,188	5,940	224	172,485	(1,580)	170,905
Operating expenses	34,931	29,670	35,361	15,416	18,092	15,708	5,564	8	154,755	4,118	158,873
Operating income	5,115	2,764	5,937	1,214	627	1,480	375	215	17,730	(5,698)	12,031
II. Assets, depreciation and amortization, and capital expenditures											
Assets	9,247	3,999	5,209	912	6,289	7,102	492	145	33,398	51,225	84,624
Depreciation and amortization	89	60	230	9	59	228	5	8	694	305	999
Capital expenditures	37	9	172	0	13	41	—	—	275	415	690

Notes: 1. Business segments are classified based on the internal control framework.

2. Main services of each business segment are as follows:

(1) Comprehensive FMS business

1) Facilities management business

Business that conducts the preservation, inspection, maintenance, etc. of building facilities

2) Security services business

Business that provides comprehensive security services including security for facilities, security to handle crowds and traffic, security for transporting valuable goods, etc.

3) Cleaning services business

Business that conducts the cleaning of buildings and facilities

4) Construction work business

Business that conducts large-scale renovation and interior design work, makes environmental load reduction proposals, and installs solar power generation systems

5) Materials/Supplies sourcing services business

Business that acts as a purchase agent for indirect materials and procures materials, etc.

6) Vending machine services business

Business that operates beverage vending machines, cares for foliage plants, and maintains air purification units

7) Support business

Business that includes the retail store business, technical training business, temporary staffing business, and document management business

(The businesses above that were originally included in other businesses have been newly classified as support businesses.)

(2) Other businesses

Real estate lease business

3. Unallocable operating expenses included in eliminations/corporate amount to 5,707 million yen, and consist mainly of general affairs and other administrative expenses of the Company.
4. Corporate assets included in eliminations/corporate amount to 51,371 million yen, and consist mainly of surplus funds (cash deposits), long-term investments (investment securities), goodwill, and assets belonging to the administrative function of the Company.

(Changes in business classifications)

Previously, the technical training business, temporary staffing business, and document control business have been included in other businesses. However, accompanying the merger between the Company and CERTO Corporation on September 1, 2010, a revision of business classification was conducted, and these businesses will be displayed separately under support businesses from the current fiscal year. Note that if the business classification from this year were used to classify segment information from the last year, the results would have been as follows: the support business would have net sales of 5,918 million yen (including sales to unaffiliated customers of 5,340 million yen), operating expenses of 5,232 million yen, and operating income of 685 million yen; other businesses would have net sales of 72 million yen (including sales to unaffiliated customers of 72 million yen), operating expenses of 9 million yen, and operating income of 62 million yen.

(Additional information)

Accompanying the merger with CERTO Corporation on September 1, 2010, the materials-related business (acting as a purchase agent for indirect materials and procuring materials) and the vending machine business (total space management focusing on beverage vending machines and also servicing foliage plants and air purification units) originally conducted by CERTO Corporation were added to the Company's range of businesses.

By incorporating the addition of these new businesses, business classifications in the business segment information were revised as above for transactions on and after September 1, 2010.

Note that due to this revision of business classifications, sales and operating income that would have been posted in each of the following businesses are now posted in sales, operating income and operating expenses of the materials-related business.

	(millions of yen)		
	Sales	Operating expenses	Operating income
Facilities management business	1,130	943	186
Security services business	42	33	9
Cleaning services business	1,016	908	108
Support business	18	16	1
Total	2,208	1,901	306

[Geographical segment information]

Fiscal year ended February 28, 2010 (from March 1, 2009 to February 28, 2010)

Since the proportion of business conducted by the Group in Japan exceeds 90% of the total sales and total assets of all segments, geographic segment information is not presented.

Fiscal year ended February 28, 2011 (from March 1, 2010 to February 28, 2011)

Since the proportion of business conducted by the Group in Japan exceeds 90% of total sales and total assets of all segments, geographic segment information is not presented.

[Overseas sales]

Fiscal year ended February 28, 2010 (from March 1, 2009 to February 28, 2010)

Since the proportion of overseas sales is less than 10% of consolidated sales, overseas sales information is not presented.

Fiscal year ended February 28, 2011 (from March 1, 2010 to February 28, 2011)

Since the proportion of overseas sales is less than 10% of consolidated sales, overseas sales information is not presented.

[Related party information]

Fiscal year ended February 28, 2010 (from March 1, 2009 to February 28, 2010)

1. Transactions with related parties

Transactions between reporting company and related parties

(a) Parent companies and principal shareholders (limited to corporations) of the reporting company

Type	Name of company, etc.	Address	Capital (millions of yen)	Business lines/ occupation	(Parent company's) ownership of voting rights, etc. (%)	Relation with related parties	Nature of transactions		Transaction amount (millions of yen)	Item	Balance at year-end (millions of yen)
Parent company	AEON Co., Ltd.	Mihama-ku, Chiba City	199,054	Pure holding company	(Parent company's ownership) Direct 1.5 Indirect 58.6	Subcontracting of facility management, security, cleaning, construction work, and other services, and deposits of subsidiaries and affiliates Concurrent directorships	Transactions other than business transactions	Deposits of subsidiaries and affiliates* ¹	79,800	Deposits of subsidiaries and affiliates	3,000
								Return of deposits of subsidiaries and affiliates* ¹	79,300		
	MYCAL Corp.	Chuo-ku, Osaka City	20,000	General merchandise store	(Parent company's ownership) Direct 58.6 Indirect —	Subcontracting of facility management, security, cleaning, construction work, and other services, and leasing of offices, etc.	Business transactions	Sales	13,810	Accounts receivable	1,364

Terms of transaction and policy on determination of terms of transaction, etc.

Pricing and other terms of transaction for relevant parties are the same as those for other parties who are not related to the Company.

Notes: *¹ Interest rates on deposits of subsidiaries and affiliates are decided rationally by considering market rates.

*² Consumption taxes, etc. are not included in the transaction amount, but are included in the balance at year-end.

(b) Companies that share the same parent company with the reporting company and subsidiaries of other affiliates of the reporting company

Type	Name of company, etc.	Address	Capital (millions of yen)	Business lines or occupation	(Parent company's) ownership of voting rights, etc. (%)	Relation with related parties	Nature of transactions		Transaction amount (millions of yen)	Item	Balance at year-end (millions of yen)
Company sharing same parent company	AEON RETAIL Co., Ltd.	Mihama-ku, Chiba City	50,000	General merchandise store	None	Subcontracting of facility management, security, cleaning, construction work, and other services Concurrent directorships	Business transactions	Sales	40,748	Notes receivable Accounts receivable	167 4,495
Company sharing same parent company	AEON MALL Co., Ltd.	Mihama-ku, Chiba City	16,662	Shopping center / Insurance agent	(Ownership) Direct 0.4 Indirect — (Parent company's ownership) Direct 0.2 Indirect —	Subcontracting of facility management, security, cleaning, construction work, and other services Concurrent directorships	Business transactions	Sales	7,949	Accounts receivable	918
Company sharing same parent company	AEON KYUSHU Co., Ltd.	Hakata-ku, Fukuoka City	3,144	General merchandise store	(Ownership) Direct 0.5 Indirect —	Subcontracting of facility management, security, cleaning, construction work, and other services	Business transactions	Sales	5,931	Notes receivable Accounts receivable	137 552
Company sharing same parent company	Ryukyu Jusco Co., Ltd.	Shimajiri-gun, Okinawa	360	General merchandise store	None	Subcontracting of facility management, security, cleaning, construction work, and other services	Business transactions	Sales	1,928	Notes receivable Accounts receivable	101 654

Terms of transaction and policy on determination of terms of transaction, etc.

Pricing and other terms of transaction for relevant parties are the same as those for other parties who are not related to the Company.

Note: Consumption taxes, etc. are not included in the transaction amount, but are included in the balance at year-end.

2. Notes on parent companies or important affiliates

(1) Parent company information

AEON Co., Ltd. (Listed on the Tokyo Stock Exchange)

MYCAL Corp. (Not listed)

(2) Summarized financial information of important affiliates

None

Fiscal year ended February 28, 2011 (from March 1, 2010 to February 28, 2011)

1. Transactions with related parties

Transactions between reporting company and related parties

(a) Parent companies and principal shareholders (limited to corporations) of the reporting company

Type	Name of company, etc	Address	Capital (millions of yen)	Business lines/ occupation	(Parent company's) ownership of voting rights, etc. (%)	Relation with related parties	Nature of transactions		Transaction amount (millions of yen)	Item	Balance at year-end (millions of yen)
Parent company	AEON Co., Ltd.	Mihama-ku, Chiba City	199,054	Pure holding company	(Parent company's ownership) Direct 17.4 Indirect 44.5	Deposits of subsidiaries and affiliates Concurrent directorships	Transactions other than business transactions	Deposits of subsidiaries and affiliates*1	135,840	Deposits of subsidiaries and affiliates	18,920
								Return of Deposits of subsidiaries and affiliates*1	132,820		
Other affiliates	MYCAL Corp.	Chuo-ku, Osaka City	20,000	General merchandise store	(Parent company's ownership) Direct 44.5 Indirect —	Subcontracting of facility management, security, cleaning, construction work, sales of materials, operating vending machines, and other services, and leasing of offices, etc.	Business transactions	Sales	16,177	Accounts receivable	3,230

Note: On September 1, 2010, MYCAL Corp. was changed from parent company to other affiliates.

Terms of transaction and policy on determination of terms of transaction, etc.

Pricing and other terms of transaction for relevant parties are the same as those for other parties who are not related to the Company.

Notes: *1 Interest rates on deposits of subsidiaries and affiliates are decided rationally by considering market rates.

*2 Consumption taxes, etc. are not included in the transaction amount, but are included in the balance at year-end.

(b) Companies that share the same parent company with the reporting company and subsidiaries of other affiliates of the reporting company

Type	Name of company, etc.	Address	Capital (millions of yen)	Business lines/ occupation	(Parent company's) ownership of voting rights, etc. (%)	Relation with related parties	Nature of transactions		Transaction amount (millions of yen)	Item	Balance at year-end (millions of yen)
Company sharing same parent company	AEON RETAIL Co., Ltd.	Mihama-ku, Chiba City	50,000	General merchandise store	None	Subcontracting of facility management, security, cleaning, construction work, and other services Sales of materials, operating vending machines, Concurrent directorships	Business transactions	Sales	42,397	Accounts receivable	6,636
Company sharing same parent company	AEON MALL Co., Ltd.	Mihama-ku, Chiba City	16,662	Shopping center / Insurance agent	(Ownership) Direct 0.4 Indirect — (Parent company's ownership) Direct 0.2 Indirect —	Subcontracting of facility management, security, cleaning, construction work, and other services Sales of materials, operating vending machines Concurrent directorships	Business transactions	Sales	8,096	Accounts receivable	856
Company sharing same parent company	AEON KYUSHU Co., Ltd.	Hakata-ku, Fukuoka City	3,144	General merchandise store	(Ownership) Direct 0.5 Indirect —	Subcontracting of facility management, security, cleaning, construction work, and other services Sales of materials, operating vending machines	Business transactions	Sales	5,481	Notes receivable Accounts receivable	20 931

Terms of transaction and policy on determination of terms of transaction, etc.

Pricing and other terms of transaction for relevant parties are the same as those for other parties who are not related to the Company.

Note: Consumption taxes, etc. are not included in the transaction amount, but are included in the balance at year-end.

2. Notes on Parent Companies or Important Affiliates

(1) Parent company information: AEON Co., Ltd. (Listed on the Tokyo Stock Exchange)

(2) Summarized financial information of important affiliates: None

(Per share information)

(yen)

Year Ended February 28, 2010 (from March 1, 2009 to February 28, 2010)		Year Ended February 28, 2011 (from March 1, 2010 to February 28, 2011)	
Net assets per share	787.84	Net assets per share	1,005.62
Net income per share	137.79	Net income per share	142.56
Net income per share (diluted)	137.58	Net income per share (diluted)	142.28

Notes: Basis for calculation

1. Net assets per share

	Year Ended Feb. 28, 2010 As of Feb. 28, 2010	Year Ended Feb. 28, 2011 As of Feb. 28, 2011
Total net assets (millions of yen)	31,364	52,887
Net assets attributable to common stock (millions of yen)	31,253	52,738
Breakdown of difference (millions of yen)		
Subscription rights	110	149
Minority interests	—	—
Amount of common stock outstanding (thousands of shares)	41,400	54,169
Amount of common stock in treasury (thousands of shares)	1,729	1,726
Amount of common stock used to calculate net assets per share (thousands of shares)	39,670	52,443

2. Net income per share and net income per share (diluted)

	Year Ended Feb. 28, 2010 (March 1, 2009 - Feb. 28, 2010)	Year Ended Feb. 28, 2011 (March 1, 2010 - Feb. 28, 2011)
Net income (millions of yen)	5,466	6,495
Net income attributable to common stock (millions of yen)	5,466	6,495
Average amount of common stock outstanding during the year (thousands of shares)	39,669	45,564
Breakdown of increase in amount of common stock used to calculate net assets per share (diluted) (thousands of shares)		
Subscription rights	60	94

(Significant Subsequent Events)
(Impact of the Great East Japan Earthquake)

Due to the Great East Japan Earthquake that occurred on March 11, 2011, the AEON DELIGHT Group was temporarily forced to stop the provision of services due to the suspension of the business of customers caused by damage to their buildings and facilities. In addition, some products that were stored in shipping warehouses and Company assets that were installed in customer facilities and shops in the Tohoku and Kanto regions were damaged or destroyed by the disaster. The main assets that were damaged include materials-related business product inventory, vending machines, and cleaning materials, tools, and equipment used in the cleaning services business, and investigations are underway concerning the amount of damages.

The impact that damage from this earthquake will have on the financial position, business performance, and cash flows in the following consolidated fiscal year is difficult to reasonably estimate at the current point in time. However, it is expected that losses on retirement of noncurrent assets and costs-related restoration to the original condition will be incurred.

5. Financial Statements, etc.
 (1) Financial Statements
 1) Balance Sheet

(millions of yen)

	Year Ended Feb. 28, 2010 (As of Feb. 28, 2010)	Year Ended Feb. 28, 2011 (As of Feb. 28, 2011)
Assets		
Current assets		
Cash and deposits	4,362	10,932
Notes receivable-trade	471	1,792
Accounts receivable-trade	14,589	25,361
Merchandise	—	1,347
Raw materials and supplies	8	60
Advance payments-trade	1,040	1,052
Prepaid expenses	425	353
Deferred tax assets	935	1,132
Deposit of subsidiaries and affiliates	3,000	18,920
Accounts receivable-other	404	95
Other	562	276
Allowance for doubtful accounts	(119)	(225)
Total current assets	25,680	61,100
Noncurrent assets		
Property, plant and equipment		
Buildings	1,280	1,419
Accumulated depreciation	(473)	(548)
Buildings, net	806	870
Machinery for area control	4,136	3,919
Accumulated depreciation	(3,863)	(3,677)
Machinery for area control, net	273	241
Vehicles	2	10
Accumulated depreciation	(1)	(9)
Vehicles, net	1	1
Tools, furniture and fixtures	2,131	6,028
Accumulated depreciation	(1,429)	(4,384)
Tools, furniture and fixtures, net	702	1,644
Land	89	89
Lease assets	22	22
Accumulated depreciation	(4)	(9)
Lease assets, net	17	12
Construction in progress	12	—
Other	—	139
Total property, plant and equipment	1,902	3,000
Intangible assets		
Goodwill	11,026	10,347
Right of trademark	20	18
Software	522	921
Telephone subscription right	73	79

(millions of yen)

	Year Ended Feb. 28, 2010 (As of Feb. 28, 2010)	Year Ended Feb. 28, 2011 (As of Feb. 28, 2011)
Other	1	3
Total intangible assets	<u>11,645</u>	<u>11,370</u>
Investments and other assets		
Investment securities	1,590	2,380
Stocks of subsidiaries and affiliates	4,038	3,607
Investments in capital	1	1
Investments in capital of subsidiaries and affiliates	72	161
Long-term loans receivable	39	38
Long-term loans receivable from subsidiaries and affiliates	12	—
Claims provable in bankruptcy, claims provable in rehabilitation and other	63	136
Long-term prepaid expenses	96	92
Guarantee deposits	634	583
Other	468	617
Allowance for doubtful accounts	(119)	(188)
Total investments and other assets	<u>6,901</u>	<u>7,431</u>
Total noncurrent assets	<u>20,449</u>	<u>21,803</u>
Total assets	<u>46,130</u>	<u>82,903</u>
Liabilities		
Current liabilities		
Notes payable-trade	1,473	993
Accounts payable-trade	7,669	21,876
Lease obligations	5	5
Accounts payable-other	1,882	2,629
Accrued expenses	85	97
Income taxes payable	2,008	2,466
Accrued consumption taxes	322	313
Advances received	71	96
Deposits received	425	1,064
Provision for bonuses	604	660
Provision for reward of business performance	76	87
Other	141	46
Total current liabilities	<u>14,765</u>	<u>30,337</u>
Noncurrent liabilities		
Lease obligations	14	8
Deferred tax liabilities	185	407
Other	148	49
Total noncurrent liabilities	<u>347</u>	<u>465</u>
Total liabilities	<u>15,113</u>	<u>30,802</u>

(millions of yen)

	Year Ended Feb. 28, 2010 (As of Feb. 28, 2010)	Year Ended Feb. 28, 2011 (As of Feb. 28, 2011)
Net assets		
Shareholders' equity		
Capital stock	3,238	3,238
Capital surplus		
Legal capital surplus	2,963	2,963
Other capital surplus	641	16,418
Total capital surpluses	3,605	19,381
Retained earnings		
Legal retained earnings	395	395
Other retained earnings		
General reserve	7,120	7,120
Retained earnings brought forward	16,849	21,609
Total retained earnings	24,365	29,125
Treasury stock	(461)	(461)
Total shareholders' equity	30,746	51,282
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	159	668
Total valuation and translation adjustments	159	668
Subscription rights to shares	110	149
Total net assets	31,016	52,100
Total liabilities and net assets	46,130	82,903

2) Statement of Income

	(millions of yen)	
	Year Ended Feb. 28, 2010 (March 1, 2009 – Feb. 28, 2010)	Year Ended Feb. 28, 2011 (March 1, 2010 – Feb. 28, 2011)
Net sales	126,528	161,026
Cost of sales	108,608	140,024
Gross profit	17,920	21,002
Selling, general and administrative expenses	8,695	9,943
Operating income	9,224	11,058
Non-operating income		
Interest income	21	55
Interest on securities	0	0
Dividends income	137	274
Other	7	50
Total non-operating income	166	380
Non-operating expenses		
Interest expenses	3	2
Loss on cancellation of company housing	30	50
Loss on retirement of noncurrent assets	35	31
Compensation for accident expenses	11	16
Adjustment of labor insurance expenses	13	—
Other	20	7
Total non-operating expenses	116	108
Ordinary income	9,274	11,330
Extraordinary income		
Gain on sales of investment securities	—	3
Gain on sales of memberships	—	1
Reversal of provision for retirement benefits	290	—
Reversal of allowance for doubtful accounts	78	—
Compensation income	54	—
Other	1	—
Total extraordinary income	423	5
Extraordinary loss		
Management integration expenses	—	724
Welfare expenses for prior periods	—	181
Loss on liquidation of subsidiaries and affiliates	—	151
Loss on valuation of stocks of subsidiaries and affiliates	254	—
Impairment loss	190	—
Other	38	41
Total extraordinary losses	483	1,099
Income before income taxes	9,214	10,236
Income taxes-current	3,788	4,336
Income taxes-deferred	359	(129)
Total income taxes	4,147	4,206
Net income	5,067	6,029

3) Statements of Changes in Shareholders' Equity

	(millions of yen)	
	Year Ended Feb. 28, 2010 (March 1, 2009 – Feb. 28, 2010)	Year Ended Feb. 28, 2011 (March 1, 2010 – Feb. 28, 2011)
Shareholders' equity		
Capital stock		
Balance at the end of previous period	3,238	3,238
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	3,238	3,238
Capital surplus		
Legal capital surplus		
Balance at the end of previous period	2,963	2,963
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	2,963	2,963
Other capital surplus		
Balance at the end of previous period	641	641
Changes of items during the period		
Disposal of treasury stock	—	5
Increase by merger	—	15,770
Total changes of items during the period	—	15,776
Balance at the end of current period	641	16,418
Total capital surplus		
Balance at the end of previous period	3,605	3,605
Changes of items during the period		
Disposal of treasury stock	—	5
Increase by merger	—	15,770
Total changes of items during the period	—	15,776
Balance at the end of current period	3,605	19,381
Retained earnings		
Legal retained earnings		
Balance at the end of previous period	395	395
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	395	395
Other retained earnings		
General reserve		
Balance at the end of previous period	7,120	7,120
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	7,120	7,120
Retained earnings brought forward		
Balance at the end of previous period	12,734	16,849
Changes of items during the period		
Dividends from surplus	(952)	(1,269)

(millions of yen)

	Year Ended Feb. 28, 2010 (March 1, 2009 – Feb. 28, 2010)	Year Ended Feb. 28, 2011 (March 1, 2010 – Feb. 28, 2011)
Net income	5,067	6,029
Total changes of items during the period	4,114	4,759
Balance at the end of current period	16,849	21,609
Total retained earnings		
Balance at the end of previous period	20,250	24,365
Changes of items during the period		
Dividends from surplus	(952)	(1,269)
Net income	5,067	6,029
Total changes of items during the period	4,114	4,759
Balance at the end of current period	24,365	29,125
Treasury stock		
Balance at the end of previous period	(461)	(461)
Changes of items during the period		
Purchase of treasury stock	(0)	(1)
Disposal of treasury stock	—	1
Increase by merger	—	(0)
Total changes of items during the period	(0)	(0)
Balance at the end of current period	(461)	(461)
Total shareholders' equity		
Balance at the end of previous period	26,631	30,746
Changes of items during the period		
Dividends from surplus	(952)	(1,269)
Net income	5,067	6,029
Purchase of treasury stock	(0)	(1)
Disposal of treasury stock	—	6
Increase by merger	—	15,770
Total changes of items during the period	4,114	20,536
Balance at the end of current period	30,746	51,282
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at the end of previous period	(24)	159
Changes of items during the period		
Net changes of items other than shareholders' equity	184	508
Total changes of items during the period	184	508
Balance at the end of current period	159	668
Total valuation and translation adjustments		
Balance at the end of previous period	(24)	159
Changes of items during the period		
Net changes of items other than shareholders' equity	184	508
Total changes of items during the period	184	508
Balance at the end of current period	159	668

(millions of yen)		
	Year Ended Feb. 28, 2010 (March 1, 2009 – Feb. 28, 2010)	Year Ended Feb. 28, 2011 (March 1, 2010 – Feb. 28, 2011)
Subscription rights to shares		
Balance at the end of previous period	72	110
Changes of items during the period		
Net changes of items other than shareholders' equity	38	38
Total changes of items during the period	38	38
Balance at the end of current period	110	149
Total net assets		
Balance at the end of previous period	26,679	31,016
Changes of items during the period		
Dividends from surplus	(952)	(1,269)
Net income	5,067	6,029
Purchase of treasury stock	(0)	(1)
Disposal of treasury stock	—	6
Increase by merger	—	15,770
Net changes of items other than shareholders' equity	222	547
Total changes of items during the period	4,337	21,083
Balance at the end of current period	31,016	52,100

- (4) Note on the going concern assumption: None
 Notes on Non-consolidated Financial Statements are insignificant, therefore omitted.

6. Other Remarks

(1) Change in representative director

The Company plans to conduct the following management changes based on the decision of the 38th Ordinary General Meeting of Shareholders to be held on May 24, 2011 and the following Board of Directors.

1) Change in representative director

- <1> President and CEO Kazunori Umemoto
 (Corporate Officer and Officer of Group E-money business (to present) of AEON CO., Ltd.; Director, Corporate Officer and Officer of Operation Control in E-money business (to present) of AEON RETAIL CO., LTD.; Adviser to AEON DELIGHT CO., LTD.)
- <2> Director Yuiken Tsutsumi
 (President and CEO of AEON DELIGHT CO., LTD.)

<Name and career history of the candidate for representative director>

Name: Kazunori Umemoto
 Date of Birth: October 1, 1951
 Main career history:

Mar. 1974	Joined Jusco Co., Ltd. (currently AEON CO., Ltd.)
May 2003	GM of Company Store Support of the company in central Japan
May 2005	Corporate Officer of the company
May 2006	Managing Director of the company
May 2007	Executive Director of the company
May 2008	Administrator of Group IT of the company
Aug. 2008	In charge of Group IT of the company
Sept.2008	Part-time Director of AEON RETAIL CO., LTD.
Aug.2009	President of AEON IBIS Co., Ltd.
Mar. 2010	Officer of Group IT and Digital business of the company
Feb. 2011	Director and Corporate Officer of AEON RETAIL CO., LTD. (to present)
Feb. 2011	Officer of Operation Control in E-money business of the company (to present)
Mar. 2011	Officer of Group E-money business of AEON Co., Ltd. (to present)
Mar. 2011	Adviser to AEON DELIGHT CO., LTD.

2) Management reshuffles (scheduled on May 24, 2011)

<1> Candidates for new directors (present position)

Director	Hajime Kobayashi	(President of A to Z Service Co., Ltd.)
Director	Nobuo Yamazato	(GM of West Kinki area branch)
Director	Yasuo Miyake	(Corporate Operation Dept.)
Director	Yoshinori Kawai	(GM of Personnel Division in Personnel and General Affairs Dept.)

<2> Retiring directors

Director	Norio Takahashi	(Executive Director, GM of Operation Control and Security Dept.)
Director	Teruyuki Nishigaki	(GM of Innovation Dept.)
Director	Fumikatsu Kitamura	(GM of Sales Division)
Director	Masakazu Yano	(Assistant Manager of branches)
Director	Akira Sugihara	(Corporate Business Development Dept.)

<3> Candidate for new auditor

Auditor	Masato Nishimatsu	(Auditor)
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(2) Stock acquisition

The acquisition of Kajitaku Inc. stock

At the meeting of the Board of Directors held on April 14, 2011, the Company decided to acquire the stock of Kajitaku Inc., which is a housework support service company that provides housework services, cleaning services, and apartment concierge services. On April 28, 2011, a resolution was made to acquire 90% of Kajitaku Inc. outstanding common shares and make the company a subsidiary.

1) Stock acquisition details

<1> Described below are the name and details of the business of the acquired company, the reasons for the stock acquisition, date of consolidation as a subsidiary, and the ratio of voting rights acquired.

a. Name of acquired company

Kajitaku Inc.

b. Details of business of acquired company

Housework support service including housework services, cleaning services, and apartment concierge services

c. Major reasons for the stock acquisition

The AEON DELIGHT Group is promoting its comprehensive FMS business, consisting of total management of the non-core businesses for customer companies. Through this B2B business, we will also promote business in response to the needs of the people who work at these companies and their lifestyles. In order to achieve this, we have acquired the stock of Kajitaku Inc., which is strong in the housework support service field.

d. Date of consolidation as a subsidiary

April 28, 2011

e. Ratio of voting rights acquired

90.0%

2) Net sales and total assets of Kajitaku Inc.

<1> Net sales for the fiscal year ended September 30, 2010 were 573 million yen.

<2> Total assets for the fiscal year ended September 30, 2010 were 914 million yen.

The acquisition of A-Z Service Co., Ltd. stock

At the meeting of the Board of Directors held on April 14, 2011, the Company decided to acquire the stock of A-Z Service Co., Ltd., which is a construction and maintenance company whose strengths include total management at small-scale facilities such as convenience stores, fast food restaurants, and eating and drinking establishments. On May 16, 2011, a resolution was made to make additional acquisition of A-Z Service Co., Ltd. shares, acquiring 54.8% of outstanding shares and making the company a subsidiary.

1) Stock acquisition details

<1> Described below are the name and details of the business of the acquired company, the reason for the stock acquisition, date of consolidation as a subsidiary, and the ratio of voting rights acquired.

a. Name of acquired company

A-Z Service Co., Ltd.

b. Details of business of acquired company

Conducts repair and maintenance of facilities and equipment, design and construction of interiors and facilities, and repair and renewal of equipment for small-scale facilities such as convenience stores, fast food restaurants, and eating and drinking establishments.

c. Major reasons for the stock acquisition

In order to construct a new comprehensive FMS business model at small-scale facilities that are expected to expand mainly in urban areas such as the Tokyo metropolitan area, an additional stock acquisition was made of A-Z Service Co., Ltd., which has experience and know-how related to the total management of small-scale facilities.

d. Date of consolidation as a subsidiary

May 16, 2011

e. Ratio of voting rights acquired

54.8%

2) Net sales and total assets of A-Z Service Co., Ltd.

<1> Net sales for the fiscal year ended February 28, 2011 were 6,614 million yen.

<2> Total assets for the fiscal year ended February 28, 2011 were 1,853 million yen.

Note: The company's fiscal year-end was changed from March 31 to the end of February from the year ended February 28, 2011, and accordingly net sales were only posted for a period of 11 months.