Summary Report of Consolidated Financial Results for the First Quarter of the Fiscal Year Ending February 28, 2011

July 6, 2010

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 Delight Communication Dept.	(Name) Masatoshi Sashie TEL +81-6-6260-5632	
Planned date for filing of quarterly financial statements:	July 14, 2010	Planned date for commencement of dividend payments	—

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

1. Consolidated Results for the First Quarter of the Fiscal Year Ending February 28, 2011 (from March 1, 2010 to May 31, 2010)

(1) Consolidated Operating Results (cumulative)

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

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended May 31, 2010	34,686	(5.6)	2,442	0.1	2,457	0.4	1,366	1.6
Three months ended May 31, 2009	36,758	—	2,439	—	2,447	—	1,344	—

	Net Income per Share	Diluted Net Income per Share
	Yen	Yen
Three months ended May 31, 2010	34.43	34.37
Three months ended May 31, 2009	33.89	33.85

(2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
As of May 31, 2010	48,776	32,277	65.9	809.72
As of Feb. 28, 2010	48,670	31,364	64.2	787.84

(Reference) Shareholders' equity As of May 31, 2010: 32,121 million yen As of February 28, 2010: 31,253 million yen

2. Dividends

	Dividends per Share				
(Record Date)	End of the 1st Quarter	End of the 2nd Quarter	End of the 3rd Quarter	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Year Ended February 28, 2010	—	12.00	—	15.00	27.00
Year Ending February 28, 2011	—				
Year Ending February 28, 2011(Forecast)		17.00	—	22.00	39.00

Note 1: Adjustments to dividend forecast made during the first quarter of fiscal 2011: None

Note 2: Dividend forecast at the end of 2nd quarter of FY2011 includes the commemorative dividend of 5 yen per share, under the premise of the merger with CERTO Corp. effective as of Sept. 1, 2010.

3. Forecast of Consolidated Results for the Year Ending February 28, 2011 (from March 1, 2010 to February 28, 2011)

(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	73.000	0,2	5.000	2,4	5.000	2,9	2.600	0,3	65,54
Full year	181.000	29,0	12.050	20,9	12.105	22,1	6.470	18,4	142,00

Note 1: Adjustments to consolidated results forecast made during the first quarter of fiscal 2011: None

Note 2: The consolidated results forecast is made under the premise of the merger with CERTO Corp. effective as of September 1, 2010. The forecast made is the sum of AEON DELIGHT full-year forecast and the second-half of CERTO Corp. forecast. Forecast for net income per share is calculated with the number of shares issued due to the merger.

4. Other Remarks

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in a change in the scope of consolidation) : None
[Newly included: — (Company name:) Excluded: — (Company name:)]

(2) Application of simplified accounting methods and accounting methods specific to the preparation of quarterly consolidated financial statements : Yes
[Note: For more details, please refer to "4. Other Remarks" in the <Qualitative Information and Financial Statements> section on page 5.]

(3) Change in accounting principles and procedures and the methods of presentation used in the preparation of quarterly consolidated financial statements (matters to be described in the section for "changes in significant items that constitute the basis for preparing quarterly consolidated financial statements")
1) Change arising from revisions of accounting standards : None
2) Change due to reasons other than those described in "1)" above : None
[Note: For more details, please refer to "4. Other Remarks" in the <Qualitative Information and Financial Statements> section on page 5.]

(4) Number of shares outstanding (common stock)

1) Number of shares outstanding at end of period (including treasury stock):

As of May 31, 2010:	41,400,000 shares	As of February 28, 2010:	41,400,000 shares

2) Number of treasury shares at end of period:

As of May 31, 2010:	1,729,838 shares	As of February 28, 2010:	1,729,838 shares

3) Average number of shares during the period (quarterly cumulative):

Three months ended May 31, 2010:	39,670,162 shares	Three months ended May 31, 2010:	39,666,908 shares

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

The financial forecast given on the previous page has been prepared on the basis of the information available at the time this report was published. Actual results may differ from those forecast due to various factors that may arise in the future.

For information on financial forecasts, please refer to "3. Qualitative Information on Consolidated Financial Forecast" in the <Qualitative Information and Financial Statements> section on page 4.

<Qualitative Information and Financial Statements>

1. Qualitative Information on Consolidated Operating Results

During the first quarter (March 1, 2010 to May 31, 2010) of fiscal 2011, there was partial economic recovery as the result of various economic policy measures, with the decrease in corporate capital investment coming to a halt. However, customers still have strong inhibitions against renewing capital investments and remain highly conscious of cutting costs. As a result, the business environment for the AEON DELIGHT Group (the “Company”) continues to be difficult.

Within this business environment, the Company began to provide new services at facilities for various purposes, including over 100 amusement facilities operating nationwide, an international exhibit hall and police-related facilities in the Kinki area, and government buildings, etc., for courthouses.

In terms of environmental business measures, in response to the Revision of the Rationalization in Energy Use Law that came into effect in April 2010, the Company developed and began to offer as a new service Ad-TEMS (Aeon Delight Total Energy Management Service).

At the Company's research and training facilities, Aeon Delight Academy Nagahama, which opened in March 2010, a varied learning curriculum consisting of training concerning construction technology for solar energy generation systems, which is gaining attention as a new form of energy, in addition to practical technological training using actual equipment and management training was provided for over 2,000 employees as part of efforts to further improve technology and innovate services.

Overseas, the wholly owned subsidiary, Beijing AEON Co., Ltd., started operations at Beijing Aeon Store 2 which opened on May 28, 2010 at the JUSCO Chao Bei Joy City Store (Chao Yang Joy City Shopping Center). In addition, preparations were advanced for starting operations in Guangdong during the first half of the fiscal year and in Tianjin this autumn.

As a result, the Company posted consolidated net sales of 34,686 million yen (94.4% year-on-year). A trend of gradual improvement is apparent when sales are compared with the 3rd quarter of the previous fiscal year (101.9%) and 4th quarter of the previous fiscal year (103.8%), due in part to environmental businesses including CO2 reduction and personnel reinforcements for internal equipment construction.

In terms of improving profitability, the Company posted operating income of 2,442 million yen (100.1% year-on-year) and ordinary income of 2,457 million yen (100.4% year-on-year). These figures were up year-on-year thanks to measures continued from the previous fiscal year including the horizontal integration of the Company’s new cleaning service models and promotion of improved efficiency through “working style” at patrol centers in the facilities administration business. Net income was 1,366 million yen (101.6% year-on-year) after recording an extraordinary loss of 71 million yen for merger-related expenses.

Results by business segment are described below.

Net sales were 10,416 million yen (96.7% year-on-year) for facility management services, 8,254 million yen (93.8% year-on-year) for security services, and 10,737 million yen (97.2% year-on-year) for cleaning services. However, reluctance against capital investment continued to be strong and net sales came in at 4,004 million yen (83.3% year-on-year) for construction work, and for the Building Management sector overall net sales were 33,413 million yen (94.3% year-on-year).

Net sales from other operations stood at 1,273 million yen (96.1% year-on-year).

The Company has created the “Comprehensive Facility Management Service Business (Comprehensive FMS Business)” in order to respond to the new needs of customers that will come with future generations based on the strengths and know-how fostered through playing the important role of managing facilities, which are very important assets of customers. In this business, we provide value by accepting consignments from customers to take care of all of their non-core business in order

to provide an environment that allows customers to focus on work that is essential for their business strategy and improve their competitive position.
In order to bring these measures into full effect, a merger contract was entered with CERTO (effective September 1, 2010). Upon approval of the Board of Directors meeting held on May 20, 2010, the Comprehensive FMS Business Promotion Office was established on May 20, 2010. Currently, expansion of a new service lineup and specific approaches for acquiring new customers are being considered toward the creation of the Comprehensive FMS Business. In addition, the Company is starting mutual proposals for customers that already have business relations with both companies, conducting activities for early exploitation of synergies, and promoting the establishment of a Management Integration Promotion Committee.

2. Qualitative Information on Consolidated Financial Position
Total assets as of May 31, 2010 increased by 105 million yen (0.2%) compared with the balance at the end of fiscal 2010 to 48,776 million yen.
This increase is attributable mainly to an increase of 146 million yen in trade notes and accounts receivable, a decrease of 188 million yen in goodwill amortization, and an increase of 182 million yen due to the mark-to-market accounting of investment securities.
Liabilities as of May 31, 2010 decreased by 807 million yen (4.7%) compared with the balance at the end of fiscal 2010 to 16,498 million yen. This decrease is attributable mainly to a decrease of 1,014 million yen in income taxes payable, an increase of 908 million yen in provision for bonuses, and a decrease of 544 million yen in other current liabilities.
Net assets as of May 31, 2010 increased by 913 million yen (2.9%) compared with the balance at the end of fiscal 2010 to 32,277 million yen.
This increase is attributable mainly to an increase of 1,366 million yen in retained earnings due to posting of net income for the first quarter, and a decrease of 595 million yen in retained earnings due to dividend payments.
As a result, the shareholders' equity ratio as of May 31, 2010 increased by 1.7% to 65.9%, compared to 64.2% at the end of fiscal 2010.

Cash Flows
The balance of cash and cash equivalents (hereinafter referred to as "cash") at May 31, 2010 decreased by 97 million yen (1.2%) compared to the balance at the end of fiscal 2010 to 7,775 million yen.

Summarized below are cash flows and their underlying factors for fiscal 2011.

(Cash flows from operating activities)
Net cash provided by operating activities during the first quarter was 570 million yen. The major factors contributing to the net cash inflow were income before income taxes of 2,386 million yen in the first quarter, and a 908 million yen provision for the allowance for bonuses, which were partially offset by corporate income tax payments of 2,087 million yen and a decrease of 564 million yen in other accounts payable.

(Cash flows from investing activities)
Net cash used in investing activities during the first quarter was 53 million yen. The principal factors behind the net cash outflow were an outflow of 203 million yen for the acquisition of tangible and intangible fixed assets, and an inflow of 111 million yen for the disposal of tangible fixed assets.

(Cash flows from financing activities)
Net cash used in financing activities during the first quarter was 613 million yen. The major factor contributing to the net cash outflow was the dividend payments of 591 million yen.

3. Qualitative Information on Consolidated Financial Forecast
Regarding its earnings projection for the fiscal year ending February 28, 2011, AEON DELIGHT's forecast released on April 14, 2010 remains unchanged.

4. Other Remarks

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in a change in the scope of consolidation): None

(2) Simplified accounting methods
Method for estimating credit losses on general receivables
Since the difference between the actual credit loss ratio as of May 31, 2010 and the ratio computed at the end of fiscal 2010 was deemed insignificant, the actual credit loss ratio at the end of fiscal 2010 was used in estimating credit losses.

(3) Application of accounting methods specific to the preparation of quarterly consolidated financial statements: None

(4) Changes in accounting principles and procedures, and the methods of presentation used in the preparation of quarterly consolidated financial statements: None

5 <Consolidated Financial Statements>

(1) <First Quarter Consolidated Balance Sheet>

(millions of yen)

	First three months of FY2011 ended May 31, 2010	FY2010 ended Feb. 28, 2010
Assets		
Current assets		
Cash and deposits	7,866	7,964
Notes and accounts receivable-trade	16,430	16,284
Other	6,027	5,899
Allowance for doubtful accounts	(127)	(122)
Total current assets	30,197	30,026
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	1,201	1,185
Land	284	284
Other, net	1,243	1,271
Total property, plant and equipment	2,729	2,741
Intangible assets		
Goodwill	11,106	11,295
Other	589	629
Total intangible assets	11,696	11,924
Investments and other assets		
Investment securities	2,233	2,050
Other	2,062	2,068
Allowance for doubtful accounts	(143)	(141)
Total investments and other assets	4,152	3,977
Total noncurrent assets	18,578	18,644
Total assets	48,776	48,670

Liabilities	First three months of FY2011 ended May 31, 2010	FY2010 ended Feb. 28, 2010
Current liabilities		
Notes and accounts payable-trade	9,090	8,974
Short-term loans payable	40	55
Current portion of long-term loans payable	25	25
Liquidation of claims credit loans payable	1,176	2,191
Provision for reward for business performance	1,646	738
Provision for directors' bonuses	25	101
Other	3,649	4,194
Total current liabilities	15,655	16,281
Noncurrent liabilities		
Long-term loans payable	25	31
Provision for retirement benefits	465	577
Provision for directors' retirement benefits	39	65
Other	312	350
Total noncurrent liabilities	842	1,024
Total liabilities	16,498	17,306
Net assets		
Shareholders' equity		
Capital stock	3,238	3,238
Capital surplus	2,964	2,964
Retained earnings	26,137	25,366
Treasury stock	(461)	(461)
Total shareholders' equity	31,878	31,107
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	246	149
Foreign currency translation adjustment	(3)	(3)
Total valuation and translation adjustments	242	145
Subscription rights to shares	156	110
Total net assets	32,277	31,364
Total liabilities and net assets	48,776	48,670

(2) Consolidated Statements of Income

<First Quarter>

(millions of yen)

	First three months of FY2010 (March 1, 2009 – May 31, 2009)	First three months of FY2011 (March 1, 2010 – May 31, 2010)
Net sales	36,758	34,686
Cost of sales	31,456	29,378
Gross profit	5,302	5,308
Selling, general and administrative expenses	2,862	2,865
Operating income	2,439	2,442
Non-operating income		
Interest income	7	7
Dividends income	14	14
Equity in earnings of affiliates	5	10
Other	9	20
Total non-operating income	36	53
Non-operating expenses		
Interest expenses	5	1
Compensation for accident expenses	8	13
Loss on cancellation of company housing	—	11
Other	14	12
Total non-operating expenses	28	38
Ordinary income	2,447	2,457
Extraordinary income		
Reversal of allowance for doubtful accounts	18	—
Surrender profit of insurance	8	—
Total extraordinary income	26	—
Extraordinary loss		
Impairment loss	—	71
Other	3	—
Total extraordinary losses	3	71
Income before income taxes and minority interests	2,471	2,386
Income taxes-current	1,053	1,105
Income taxes-deferred	38	(85)
Total income taxes	1,092	1,020
Minority interests in income	34	—
Net income	1,344	1,366

(3) <Consolidated Statements of Cash Flow>

(millions of yen)

	First three months of FY2010 (March 1, 2009 – May 31, 2009)	First three months of FY2011 (March 1, 2010 – May 31, 2010)
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	2,471	2,386
Depreciation and amortization	171	155
Amortization of goodwill	221	188
Increase (decrease) in provision for bonuses	961	908
Increase (decrease) in provision for retirement benefits	6	(111)
Increase (decrease) in provision for directors' retirement	(9)	(25)
Interest and dividends income	(21)	(22)
Interest expenses	5	1
Decrease (increase) in notes and accounts receivable-trade	69	(232)
Increase (decrease) in notes and accounts payable-trade	504	115
Increase (decrease) in accounts payable-other	(607)	(564)
Decrease (increase) in accounts receivable-other	(18)	(46)
Other, net	(87)	(117)
Subtotal	3,668	2,635
Interest and dividends income received	22	23
Interest expenses paid	(2)	(1)
Income taxes paid	(2,328)	(2,087)
Net cash provided by (used in) operating activities	1,359	570
Net cash provided by (used in) investment activities		
Proceeds from withdrawal of time deposits	48	—
Purchase of property, plant and equipment	(113)	(122)
Proceeds from sales of property, plant and equipment	10	111
Purchase of intangible assets	(27)	(81)
Purchase of investments in subsidiaries resulting in change in	284	—
Payments for deposit of subsidiaries and affiliates	(22,500)	(18,500)
Collection of deposit of subsidiaries and affiliates	25,000	18,500
Other, net	52	38
Net cash provided by (used in) investment activities	2,755	(53)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(100)	(15)
Repayment of long-term loans payable	(22)	(6)
Liquidation of claims credit loans payable	(1,125)	—
Cash dividends paid	(476)	(591)
Other, net	(4)	(1)
Net cash provided by (used in) financing activities	(1,729)	(613)
Effect of exchange-rate change on cash and cash equivalents	3	(0)
Net increase (decrease) in cash and cash equivalents	2,388	(97)
Cash and cash equivalents at beginning of period	6,970	7,873
Cash and cash equivalents at end of period	9,358	7,775

(4) Note on the going concern assumption: None

(5) Note on significant changes in shareholders’ equity: None