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April 10, 2025

Consolidated Financial Results for the Fiscal Year Ended February 28, 2025 (Under Japanese GAAP)

Company name: AEON DELIGHT Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 9787
 URL: <https://www.aeondelight.co.jp>
 Representative: Kazumasa Hamada, President and CEO, Group CEO
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 Telephone: +81-3-6895-3892
 Scheduled date of annual general meeting of shareholders: May 16, 2025
 Scheduled date to commence dividend payments: May 2, 2025
 Scheduled date to file annual securities report: May 19, 2025
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the fiscal year ended February 28, 2025 (from March 1, 2024 to February 28, 2025)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
February 28, 2025	337,929	4.0	16,429	7.8	16,633	7.4	11,524	7.6
February 29, 2024	324,820	6.9	15,235	-3.7	15,482	-3.3	10,707	5.5

Note: Comprehensive income For the fiscal year ended February 28, 2025: ¥13,176 million [13.7%]
 For the fiscal year ended February 29, 2024: ¥11,591 million [5.3%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
February 28, 2025	239.29	239.16	10.9	10.1	4.9
February 29, 2024	219.70	219.57	10.6	10.0	4.7

Reference: Share of profit (loss) of entities accounted for using equity method
 For the fiscal year ended February 28, 2025: ¥163 million
 For the fiscal year ended February 29, 2024: ¥127 million

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
February 28, 2025	169,882	110,454	64.3	2,284.02
February 29, 2024	160,257	104,212	64.3	2,124.04

Reference: Equity
 As of February 28, 2025: ¥109,273 million
 As of February 29, 2024: ¥103,090 million

(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
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
February 28, 2025	13,793	-3,612	-7,208	71,204
February 29, 2024	18,518	-4,319	-6,922	67,714

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended February 29, 2024	-	43.00	-	43.00	86.00	4,173	39.1	4.2
Fiscal year ended February 28, 2025	-	43.00	-	44.00	87.00	4,173	36.4	3.9
Fiscal year ending February 28, 2026 (Forecast)	-	-	-	-	-		-	

Note: As announced in the press release dated February 28, 2025, titled “Statement of Opinion in Support of the Tender Offer for the Company’s Shares by the Parent Company AEON Co., Ltd. and Recommendation to Tender” (only available in Japanese), the Company’s shares are scheduled to be delisted as a result of the Tender Offer and subsequent procedures. Accordingly, it is not provided a dividend forecast for the fiscal year ending February 28, 2026.

3. Forecast of consolidated financial results for the year ending February 28, 2026 (from March 1, 2025 to February 28, 2026)

As announced in the press release dated February 28, 2025, titled “Statement of Opinion in Support of the Tender Offer for the Company’s Shares by the Parent Company AEON Co., Ltd. and Recommendation to Tender” (only available in Japanese), the Company’s shares are scheduled to be delisted as a result of the Tender Offer and subsequent procedures. Accordingly, it is not provided a dividend forecast for the fiscal year ending February 28, 2026.

*** Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None

(3) Number of issued shares (common shares)

- (i) Total number of issued shares at the end of the period (including treasury shares)

As of February 28, 2025	48,469,633 shares
As of February 29, 2024	49,169,633 shares

- (ii) Number of treasury shares at the end of the period

As of February 28, 2025	627,047 shares
As of February 29, 2024	634,347 shares

- (iii) Average number of shares outstanding during the period

Fiscal year ended February 28, 2025	48,159,301 shares
Fiscal year ended February 29, 2024	48,738,436 shares

* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

(Cautionary Note Regarding Forward-Looking Statements)

As announced in the press release dated February 28, 2025, titled “Statement of Opinion in Support of the Tender Offer for the Company’s Shares by the Parent Company AEON Co., Ltd. and Recommendation to Tender” (only available in Japanese), the Company’s shares are scheduled to be delisted as a result of the Tender Offer and subsequent procedures. Accordingly, it is not provided a dividend forecast for the fiscal year ending February 28, 2026.

4. Consolidated Financial Statements and Significant Notes

(1) Consolidated Balance Sheets

(Million yen)

	Previous Fiscal Year (February 29, 2024)	Current Fiscal Year (February 28, 2025)
Assets		
Current assets		
Cash and deposits	68,350	71,764
Notes and accounts receivable - trade, and contract assets	51,519	53,241
Electronically recorded monetary claims	5,237	8,025
Securities	7,903	8,401
Inventories	2,858	2,874
Other	4,274	4,829
Allowance for doubtful accounts	-164	-171
Total current assets	139,980	148,964
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	1,358	1,310
Tools, furniture and fixtures, net	2,948	2,639
Land	193	193
Other, net	1,984	2,038
Total property, plant and equipment	6,484	6,181
Intangible assets		
Goodwill	2,203	1,231
Other	3,894	4,144
Total noncurrent assets	6,098	5,376
Investments and other assets		
Investment securities	4,123	4,558
Deferred tax assets	1,210	1,002
Retirement benefit asset	-	1,091
Other	2,380	2,764
Allowance for doubtful accounts	-19	-57
Total investment and other assets	7,693	9,359
Total noncurrent assets	20,277	20,918
Total assets	160,257	169,882

(Million yen)

	Previous Fiscal Year (February 29, 2024)	Current Fiscal Year (February 28, 2025)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	29,292	29,304
Electronically recorded obligations - operating	5,667	5,552
Short-term borrowings	378	260
Accounts payable	7,525	8,611
Income taxes payable	2,572	3,433
Provision for bonuses	1,459	1,714
Accrued directors' and corporate auditors' remuneration	67	76
Other	6,481	6,759
Total current liabilities	53,445	55,711
Noncurrent liabilities		
Deferred tax liabilities	900	1,157
Provision for directors' retirement benefits	57	63
Retirement benefit liability	753	1,100
Asset retirement obligations	418	429
Other	469	966
Total noncurrent liabilities	2,599	3,716
Total liabilities	56,044	59,427
Net assets		
Shareholder's equity		
Capital stock	3,238	3,238
Capital surplus	532	-
Retained earnings	97,918	103,417
Treasury stock	-1,779	-2,148
Total shareholders' equity	99,909	104,507
Other accumulated comprehensive income		
Valuation difference on securities	1,212	1,435
Foreign currency translation adjustments	1,951	2,948
Remeasurements of defined benefit plans	17	382
Total other accumulated comprehensive income	3,181	4,765
Share subscription rights	68	62
Non-controlling shareholders' equity	1,054	1,118
Total net assets	104,212	110,454
Total liabilities and net assets	160,257	169,882

(2) Consolidated Statement of Income and Statement of Comprehensive Income
(Consolidated Statement of Income)

(Million yen)

	Previous Fiscal Year (March 1, 2023- February 29, 2024)	Current Fiscal Year (March 1, 2024- February 28, 2025)
Net sales	324,820	337,929
Cost of sales	282,207	292,793
Gross profit	42,613	45,136
Selling, general and administrative expenses	27,377	28,706
Operating profit	15,235	16,429
Non-operating income		
Interest income	94	127
Dividends income	81	107
Equity in income of affiliates	127	163
Tender offer-related expenses	147	120
Other	450	518
Total non-operating income		
Non-operating expenses	27	36
Interest expenses	-	138
Other	175	139
Total non-operating expenses	203	314
Ordinary profit	15,482	16,633
Extraordinary income		
Gain on sale of noncurrent assets	466	-
Total extraordinary income	466	-
Extraordinary loss		
Impairment loss	316	302
Loss on valuation of investment security	53	-
Economic compensation	-	70
Total extraordinary loss	370	373
Profit before income taxes	15,579	16,260
Income taxes - current	4,321	4,429
Income taxes-deferred	451	192
Total income taxes	4,773	4,622
Profit	10,805	11,638
Profit attributable to non-controlling interests	97	113
Profit attributable to owners of parent	10,707	11,524

(Consolidated Statement of Comprehensive Income)

(Million yen)

	Previous Fiscal Year (March 1, 2023- February 29, 2024)	Current Fiscal Year (March 1, 2024- February 28, 2025)
Profit	10,805	11,638
Other comprehensive income		
Valuation difference on securities	82	222
Foreign currency translation adjustments	527	941
Remeasurements of defined benefit plans, net of tax	176	374
Total other comprehensive income	786	1,538
Comprehensive income	11,591	13,176
(Breakdown)		
Comprehensive income attributable to owners of parent	11,476	13,108
Comprehensive income attributable to non-controlling interests	115	67

(4) Consolidated Statement of Cash Flows

(Million yen)

	Previous Fiscal Year (March 1, 2023- February 29, 2024)	Current Fiscal Year (March 1, 2024- February 28, 2025)
Net cash provided by (used in) operating activities		
Income before income taxes	15,579	16,260
Depreciation and amortization	2,918	3,063
Impairment loss	316	302
Amortization of goodwill	880	802
Increase (decrease) in accrued bonuses	72	249
Increase (decrease) in provision for directors' retirement	-17	6
Increase (decrease) in liabilities relating to retirement benefits	-266	714
Decrease (increase) in retirement benefit asset	-	-1,091
Interest and dividend income	-176	-235
Interest expenses	27	36
Loss (gain) on sale of noncurrent assets	-467	-6
Equity in loss (gain) of affiliates	-127	-163
Loss (gain) on valuation of investment securities	53	-
Decrease (increase) in notes and accounts receivable- trade	-379	-3,910
Decrease (increase) in inventories	-502	-9
Increase (decrease) in notes and accounts payable-trade	3,873	-365
Increase (decrease) in accounts payable	309	603
Other	62	706
Sub-total	22,157	16,965
Interest and dividend received	277	279
Interest expenses paid	-27	-36
Income taxes paid	-3,890	-3,415
Net cash provided by (used in) operating activities	18,518	13,793
Net cash provided by (used in) investing activities		
Payments into time deposits	-76	-0
Proceeds from withdrawal of time deposits	97	79
Purchase of short-term and long-term investment securities	-14,431	-15,435
Proceeds from sales and redemption of short-term and long-term investment securities	13,503	14,908
Purchase of property, plant and equipment and intangible assets	-3,613	-2,853
Proceeds from sale of property, plant and equipment and intangible assets	692	36
Increase in subsidiaries arising from change in scope of consolidation	-283	-
Payments for sale of shares of subsidiaries resulting in change in scope of consolidation	-143	-
Other	-63	-348
Net cash provided by (used in) investing activities	-4,319	-3,612
Cash flow from financing activities		
Net increase (decrease) in short-term borrowings	40	-142
Cash dividends paid	-4,213	-4,155
Purchase of treasury shares	-2,602	-2,790
Other	-146	-120
Cash flow from financing activities	-6,922	-7,208
Effect of exchange rate change on cash and cash equivalents	441	852
Net increase (decrease) in cash and cash equivalents	7,717	3,824
Cash and cash equivalents at beginning of period	59,996	67,714
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	-	-334
Cash and cash equivalents at end of period	67,714	71,204

(5) Notes on consolidated financial statements

(Notes on going concern assumption)

Not applicable.

(Notes on Segment Information, etc.)

[Segment Information]

1. Outline of reportable segments

The AEON delight Group is a facility management group that offers various solutions for facilities and surrounding environments in response to the challenges faced by customers in Japan, China, and the ASEAN region. The Facilities management business comprises 7 business segments: Facilities management, Security services, Cleaning services, Construction work, Materials/supplies sourcing services, Vending machine services, and Support services. Each business unit develops and promotes its own business strategy.

Accordingly, our group has 7 business segments in the Facility management business as reportable segments.

The main contents of each business are as follows.

- (1) Facilities management: Maintenance, inspection and care of building facilities
- (2) Security services: Provision of general security services, including facility security, crowd and traffic control, and security or transporting valuables.
- (3) Cleaning services: Cleaning of buildings and facilities
- (4) Construction work: Planning, design and construction of large-scale repairs and shop interiors; proposals and construction related to energy conservation and CO2 reduction; energy data management services.
- (5) Materials/supplies sourcing services: Purchasing agent for indirect materials and procurement of materials, etc.
- (6) Vending machine services: Operation of beverage vending machines, ornamental plants and smoking machines
- (7) Support services: Travel agency, housework support services, education and human resources services

2. Calculation method for net sales, income or loss, assets and other items by reportable segment

Segment income is based on operating income.

Transaction prices and transfer prices among segments are based on prevailing market prices.

3. Information on net sales, income or loss, assets and other items by reportable segment

Previous fiscal year (March 1, 2023-February 29, 2024)

(Million yen)

	Reportable segment							
	Facilities management	Security services	Cleaning services	Construction work	Materials/supplies sourcing services	Vending machine services	Support services	Total
Net sales								
Profit from contracts with customers	69,509	50,919	70,428	59,219	46,315	9,616	18,810	324,820
Sales from external customers	69,509	50,919	70,428	59,219	46,315	9,616	18,810	324,820
Inter-segment sales and transfers	0	142	-	-	62	-	1,631	1,836
Total	69,509	51,062	70,428	59,219	46,378	9,616	20,442	326,657
Segment profit	5,913	3,108	5,277	5,322	2,322	1,290	545	23,781

Current fiscal year (March 1, 2024-February 28, 2025)

(Million yen)

	Reportable segment							
	Facilities management	Security services	Cleaning services	Construction work	Materials/supplies sourcing services	Vending machine services	Support services	Total
Net sales								
Profit from contracts with customers	75,381	53,345	71,875	60,794	48,209	9,300	19,023	337,929
Sales from external customers	75,381	53,345	71,875	60,794	48,209	9,300	19,023	337,929
Inter-segment sales and transfers	0	145	0	-	91	-	1,702	1,939
Total	75,381	53,491	71,875	60,794	48,300	9,300	20,726	339,869
Segment profit	6,159	3,158	5,538	5,495	2,620	1,301	1,560	25,834

4. The difference between Total of reportable segments and amount recorded in financial statement (items in relation to adjustment of differences)

(Million yen)

Profit	Previous Fiscal Year	Current Fiscal Year
Total of reportable segments	326,657	339,869
Elimination of inter-segment transactions	-1,836	-1,939
Net sales in financial statement	324,820	337,929

Profit	Previous Fiscal Year	Current Fiscal Year
Total of reportable segments	23,781	25,834
Elimination of inter-segment transactions	-353	-362
Amortization of goodwill	-880	-802
Company-wide expenses*	-7,312	-8,240
Operating income in financial statement	15,235	16,429

(Note) "Company-wide expenses" are mainly general and administrative expenses that do not belong to any reportable segment.

(Per-stock Information)

Previous Fiscal Year (March 1, 2023- February 29, 2024)		Current Fiscal Year (March 1, 2024- February 28, 2025)	
Net assets per share	2,124.04 yen	Net assets per share	2,284.02 yen
Profit per share	219.70 yen	Profit per share	239.29 yen
Diluted net income per share	219.57 yen	Diluted net income per share	239.16 yen

(Note 1) Basis for calculating net assets per share

Item	Previous Fiscal Year (February 29, 2024)	Current Fiscal Year (February 28, 2025)
Total net assets (million yen)	104,212	110,454
Net assets related to common stock (million yen)	103,090	109,273
Major breakdown of difference (million yen)		
Share subscription rights	68	62
Non-controlling shareholders' equity	1,054	1,118
Number of shares of common stock outstanding (thousand shares)	49,169	48,469
Number of treasury shares of common stock (thousand shares)	634	627
Number of common shares used to calculate net assets per share (thousand shares)	48,535	47,842

(Note 2) The basis of calculation for net income per share and diluted net income per share

Item	Previous Fiscal Year (March 1, 2023- February 29, 2024)	Current Fiscal Year (March 1, 2024- February 28, 2025)
Profit attributable to owners of parent (million yen)	10,707	11,524
Profit attributable to owners of parent related to common stock (million yen)	10,707	11,524
Average number of shares during period (thousand shares)	48,738	48,159
Major components of increase in common stock used in the calculation of diluted net income per share (thousand shares)		
Share subscription rights	29	27

(Significant subsequent events)

Not applicable.