

Summary of Operating Results and Financial Position for the First Nine Months of the Fiscal Year Ending February 28, 2009



December 19, 2008

Listed company **AEON Delight Co., Ltd.**

Listed exchanges: First Section of Tokyo Stock Exchange and

name

Osaka Securities Exchange

Stock code 9787

(URL [http : //www.aeondelight.co.jp](http://www.aeondelight.co.jp))

Representative (Title) President and CEO

(Name) Yuiken Tsutsumi

Contact (Title) General Manager,
Delight Communications
Dept.

(Name) Masatoshi Sashie

TEL (06) 6260-5632

(Amounts have been rounded down to the nearest million yen.)

1. Consolidated Results for the Nine months Ended November 30, 2008 (from March 1, 2008 to November 30, 2008)

(1) Consolidated Operating Results (Percentages represent changes from the same period of the previous year.)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended November 30, 2008	109,399	(6.8)	7,467	(25.6)	7,358	(26.9)	4,018	(26.9)
Nine months ended November 30, 2007	102,409	(28.7)	5,946	(42.3)	5,800	(41.0)	3,165	(49.5)
Year ended February 29, 2008	137,519	—	8,330	—	8,186	—	4,379	—

	Net Income per Share	Diluted Net Income per share
	Yen	Yen
Nine months ended November 30, 2008	101.29	101.22
Nine months ended November 30, 2007	159.59	—
Year ended February 29, 2008	110.39	—

Note: AEON Delight implemented a two-for-one stock split effective December 1, 2007. Information on retroactive adjustment of per-share data resulting from the stock split is shown on page 2.

(2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
As of November 30, 2008	52,009	26,935	49.1	643.35
As of November 30, 2007	48,757	21,385	43.9	11078.16
As of February 29, 2008	47,418	22,488	47.4	566.87

Note: AEON Delight implemented a two-for-one stock split effective December 1, 2007. Information on retroactive adjustment of per-share data resulting from the stock split is shown on page 2.

(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
Nine months ended November 30, 2008	4,589	-1,338	-4,168	6,740
Nine months ended November 30, 2007	3,801	-2,845	-4,744	5,681
Year ended February 29, 2008	6,472	-2,190	-6,094	7,657

2. Forecast for Consolidated Results for the Year Ending February 28, 2009 (from March 1, 2008 to February 28, 2009) 【Reference】

(Percentages represent changes from the previous fiscal year or the interim period of the previous fiscal year.)

	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
Full year	147,000	6.9	9,900	18.8	9,750	19.1	5,150	17.6	129.82

3. Other Remarks

(1) Changes in significant subsidiaries during the period (changes in specific subsidiaries that result in a change in the scope of consolidation): N/A

(2) Adoption of simplified accounting methods: Applicable

(3) Changes in accounting methods since the most recent fiscal year: N/A

Note: For details, please refer to “4. Others” in the “Qualitative Information and Financial Statements” section on page 3.

※ Information concerning proper usage of the financial forecast and other special instructions:
 The above financial forecast has been prepared based on the information available as of the date of the publication of this document. Actual results may differ from the forecast due to unforeseen factors that may arise at some future point.
 For the earnings forecast, please see “3. Qualitative Information on the Forecast for Consolidated Results” in the “Qualitative Information and Financial Statements” section on page 3.

(Reference) Retroactive adjustment of per-share data resulting from stock split

AEON Delight implemented a two-for-one stock split of the company’s common shares effective December 1, 2007 based on the resolution made at the Board of Directors meeting held on November 9, 2007. Per-share data assuming that the stock split took place at the beginning of the previous fiscal year are as follows:

	Net Income per Share	Fully Diluted Net Income per Share	Net Assets per Share
Nine months ended November 30, 2007	Yen 79.80	Yen —	Yen 539.08

【Qualitative Information and Financial Statements】

1. Qualitative Information on Consolidated Operating Results

During the nine months ended November 30, 2008, businesses continued to pursue cost structure reforms amid concern over the economic slowdown with the worldwide credit crisis and rapidly declining corporate earnings, mainly in export industries. Against this backdrop, the management environment surrounding the AEON Delight Group remained harsh.

Under these circumstances, the AEON Delight Group expanded its business with customers outside the AEON Group, receiving orders from various commercial facilities, national hotel chains, distribution centers, office buildings, and sports facilities, and also winning contracts to provide security services for such events as the National Confectionery Expo (Himeji City, Hyogo Prefecture), the Akashi Citizens' Festival (Akashi City, Hyogo Prefecture), and the Kansai Collegiate American Football League games (Kobe City).

The AEON Delight Group also achieved revenue growth in its business with AEON Group companies, receiving additional orders in the second half of the fiscal year from newly opened large-scale commercial facilities, AEON Supercenters and Maxvalu stores, including AEON Lake Town, AEON Omagari SC, AEON Kasai Hojo SC, and AEON Kahoku SC.

Furthermore, as a new undertaking, the AEON Delight Group was commissioned to provide services to the AEON Beijing International Mall Shopping Center, and started its overseas operations. The Group has also moved into a new business with a view toward environmental load reduction.

The AEON Delight Group also implemented various measures to improve its cost structure, including the adjustment of outsourcing expenses to a proper level, taking advantage of scale through the integration of operations, a review of the value of some unprofitable contracts with public offices, and the integration/standardization of systems. As a result of these efforts, operating income, ordinary income and net income for the first nine months grew.

2. Qualitative Information on Consolidated Financial Position

Total assets at November 30, 2008 were ¥52,009 million (up ¥4,591 million from the end of the previous fiscal year), total liabilities were ¥25,074 million (up ¥144 million), and net assets were ¥26,935 million (up ¥4,447 million).

(Cash flows)

Summarized below are the consolidated cash flows for the nine months ended November 30, 2008.

(Cash flows from operating activities)

Net cash provided by operating activities was ¥4,589 million. The major factors behind this result included net income before income taxes of ¥7,241 million being posted for the nine months, retained earnings of ¥420 million from depreciation and ¥642 million from goodwill amortization, an increase of ¥1,271 million in provisions, and an increase in trade payables of ¥2,192 million, although the effects of these factors were partly offset by an increase in trade receivables of ¥1,954 million, a decrease in accounts payables of ¥715 million, and a cash outflow of ¥4,524 million for payment of income taxes.

(Cash flows from investing activities)

Net cash used in investing activities was ¥1,338 million, resulting primarily from a cash outflow of ¥188 million for the acquisition/sale of tangible fixed assets, an outflow of ¥187 million for the acquisition of intangible fixed assets, an outflow of ¥500 million for payment/return of deposits for consumption to/from affiliates, and an outflow of ¥452 million for the acquisition of stock in new subsidiaries.

(Cash flows from financing activities)

Net cash used in financing activities was ¥4,168 million. This was mainly attributable to repayment of liabilities (loan obligations) from assigned future receivables amounting to ¥3,375 million and dividend payments of ¥792 million.

3. Qualitative Information on the Forecast for Consolidated Results

The earnings forecast for the year ending February 28, 2009, which the company announced on October 8, 2008, remains unchanged.

4. Others

- (1) Changes in significant subsidiaries during the period (changes in specific subsidiaries that resulted from a change in the scope of consolidation): N/A
- (2) Adoption of simplified accounting methods: Simplified methods are partially used as the bases for calculating income taxes and provisions.
- (3) Changes in accounting methods since the most recent fiscal year: N/A

1. Consolidated Balance Sheets (Summary)

(Unit: Millions of yen)

Term Accounts	End of Third Quarter of Current Fiscal Year (As of November 30, 2008)		End of Previous Fiscal Year (As of February 29, 2008)		Difference	End of Third Quarter of Previous Fiscal Year (As of November 30, 2007)	
	Amount	Ratio %	Amount	Ratio %	Amount	Amount	Ratio %
(Assets)							
I. Current assets							
Cash and deposits	6,750		7,673		-923	5,707	
Trade notes and accounts receivable	20,495		17,677		2,818	18,922	
Inventories	34		10		24	9	
Others	4,864		3,402		1,462	4,626	
Total current assets	32,145	61.8	28,764	60.7	3,381	29,265	60.0
II. Fixed assets							
Tangible fixed assets	2,662		1,885		777	1,933	
Intangible fixed assets							
Goodwill	12,219		12,671		-452	12,883	
Others	713		684		28	680	
Investments and other assets	4,268		3,411		856	3,994	
Total fixed assets	19,864	38.2	18,653	39.3	1,210	19,492	40.0
Total assets	52,009	100.0	47,418	100.0	4,591	48,757	100.0
(Liabilities)							
I. Current liabilities							
Trade notes and accounts payable	12,663		10,293		2,370	11,073	
Short-term borrowings	148		—		148	—	
Loan obligations from assigned future receivables	2,625		4,500		-1,875	4,725	
Others	8,364		7,740		623	7,719	
Total current liabilities	23,801	45.8	22,533	47.5	1,267	23,518	48.2
II. Long-term liabilities							
Long-term borrowings	63		—		63	—	
Loan obligations from assigned future receivables	—		1,500		-1,500	2,625	
Allowance for accrued retirement benefits for employees	666		145		520	147	
Allowance for retirement benefits for directors and corporate auditors	45		24		20	18	
Others	498		725		-227	1,062	
Total long-term liabilities	1,272	2.4	2,395	5.1	-1,123	3,853	7.9
Total liabilities	25,074	48.2	24,929	52.6	144	27,372	56.1
(Net assets)							
I. Shareholders' equity							
Capital stock	3,238		3,238		—	3,238	
Capital surplus	2,963		2,963		—	2,963	
Retained earnings	19,996		16,772		3,224	15,558	
Treasury stock	-461		-460		-0	-460	
Total shareholders' equity	25,737	49.5	22,512	47.5	3,224	21,299	43.7
II. Valuation and translation adjustments							
Net unrealized gain (loss) on marketable securities	-215		-25		-190	86	
Foreign currency translation adjustments	0		0		0	—	
Total valuation and translation adjustments, etc.	-215	-0.4	-24	-0.1	-190	86	0.2
III. Stock warrants	72	0.1	—	—	72	—	—
IV. Minority interest	1,341	2.6	—	—	1,341	—	—
Total net assets	26,935	51.8	22,488	47.4	4,447	21,385	43.9
Total liabilities and net assets	52,009	100.0	47,418	100.0	4,591	48,757	100.0

2. Consolidated Statements of Income (Summary)

(Unit: Millions of yen)

Accounts \ Term	First Nine Months of Current Fiscal Year (From March 1, 2008 to November 30, 2008)		First Nine Months of Previous Fiscal Year (From March 1, 2007 to November 30, 2007)		Difference Amount	Year Ended February 29, 2008 (From March 1, 2007 to February 29, 2008)	
	Amount	Ratio	Amount	Ratio		Amount	Ratio
			%	%			%
I. Net sales	109,399	100.0	102,409	100.0	6,990	137,519	100.0
II. Cost of sales	93,742	85.7	88,536	86.5	5,205	118,692	86.3
Gross profit	15,657	14.3	13,873	13.5	1,784	18,827	13.7
III. Selling, general and administrative expenses	8,189	7.5	7,926	7.7	263	10,496	7.6
Operating income	7,467	6.8	5,946	5.8	1,520	8,330	6.1
IV. Non-operating income	77	0.1	74	0.1	3	128	0.1
V. Non-operating expenses	186	0.2	219	0.2	-33	272	0.2
Ordinary income	7,358	6.7	5,800	5.7	1,557	8,186	6.0
VI. Extraordinary income	—	—	34	0.0	-34	57	0.0
VII. Extraordinary losses	117	0.1	27	0.0	89	162	0.1
Income before income taxes	7,241	6.6	5,808	5.7	1,433	8,081	5.9
Income taxes - current	3,536	3.2	3,149	3.1	386	3,898	2.8
Income taxes - deferred	-13	-0.3	-506	-0.5	193	-196	-0.1
Net income	4,018	3.7	3,165	3.1	852	4,379	3.2

3. Consolidated Statements of Cash Flows (Summary)

(Unit: Millions of yen)

Accounts \ Term	First Nine Months of Current Fiscal Year (From March 1, 2008 to November 30, 2008)		First Nine Months of Previous Fiscal Year (From March 1, 2007 to November 30, 2007)		Year Ended February 29, 2008 (From March 1, 2007 to February 29, 2008)	
	Amount	Amount	Amount	Amount	Amount	Amount
I. Cash flows from operating activities						
Income before income taxes	7,241	5,808	8,081			
Depreciation and amortization	420	393	536			
Net change in assets and liabilities	578	-501	-596			
Others	822	782	1,110			
Subtotal	9,063	6,482	9,132			
Income taxes paid	-4,524	-2,729	-2,721			
Others	51	49	61			
Net cash provided by operating activities	4,589	3,801	6,472			
II. Cash flows from investing activities						
Net balance on marketable securities	-3	-135	113			
Net balance on tangible fixed assets	-188	-186	-264			
Expenditure for acquisition of stock in new subsidiaries	-452	—	—			
Others	-694	-2,522	-2,038			
Net cash used in investing activities	-1,338	-2,845	-2,190			
III. Cash flows from financing activities						
Expenditure for purchase of treasury stock	-0	-0	-0			
Dividend payments	-792	-694	-694			
Others	-3,375	-4,050	-5,400			
Net cash used in financing activities	-4,168	-4,744	-6,094			
IV. Effect of exchange rate changes on cash and cash equivalents	-0	—	0			
V. Change in cash and cash equivalents	-917	-3,788	-1,811			
VI. Cash and cash equivalents at beginning of period	7,657	9,469	9,469			
VII. Cash and cash equivalents at end of period	6,740	5,681	7,657			