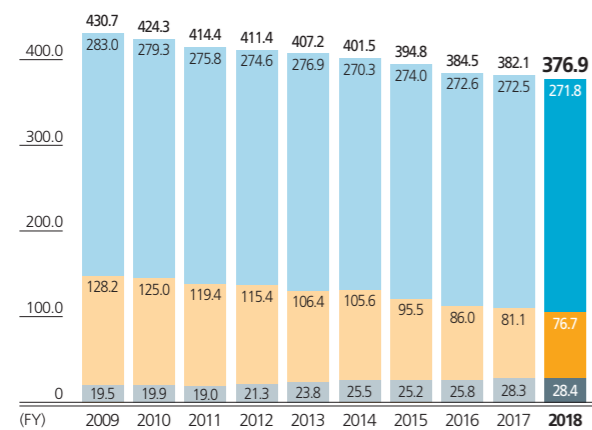


Financial Highlights

Note: Amounts less than the stated units are dropped.

Customer-level sales **376.9** billion yen

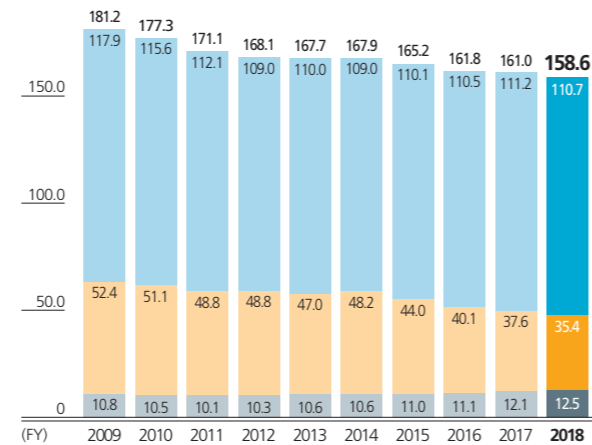
(billions of yen) ■ Direct Selling Group ■ Food Group ■ Other Businesses



Customer-level sales are the total of sales at company-owned and subsidiary units and the estimated sales at franchised units. Sales of overseas affiliated companies which are included in Other Businesses are sales in January to December.

Consolidated sales **158.6** billion yen

(billions of yen) ■ Direct Selling Group ■ Food Group ■ Other Businesses

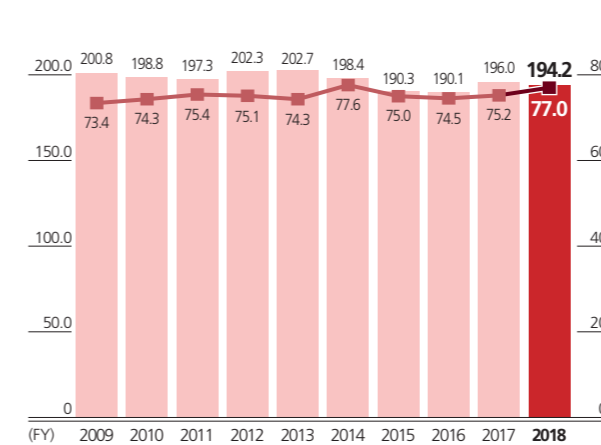


Due mainly to lower sales at Direct Selling Group and Food Group, consolidated sales were 158,699 million yen, a 2,332 million yen (1.4%) decrease from the previous year.

Note 1: Business segment sales do not include inter-segment sales.
Note 2: Reportable segments were changed on April 1, 2010. On April 1, 2018, Clean & Care Group was renamed Direct Selling Group.

Total assets **194.2** billion yen

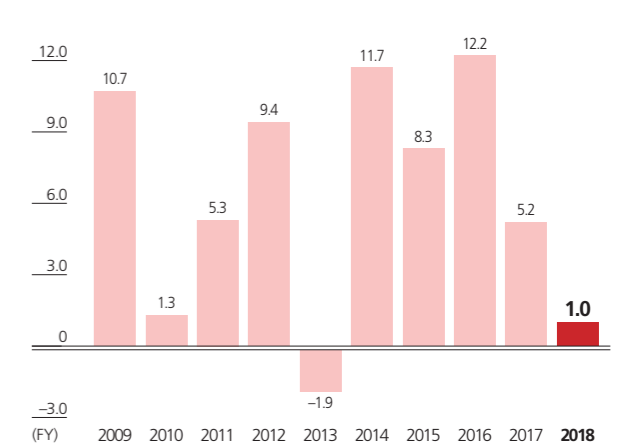
(billions of yen) ■ Total assets ■ Equity ratio (%)



Duskin has a certain volume of assets in order to fulfill responsibilities for franchisees and consistently provide services for customers. Net assets totaled 149,884 million yen at the end of the fiscal year, 2,098 million yen (1.4%) more than at the end of the previous fiscal year.

Free cash flow **1.0** billion yen

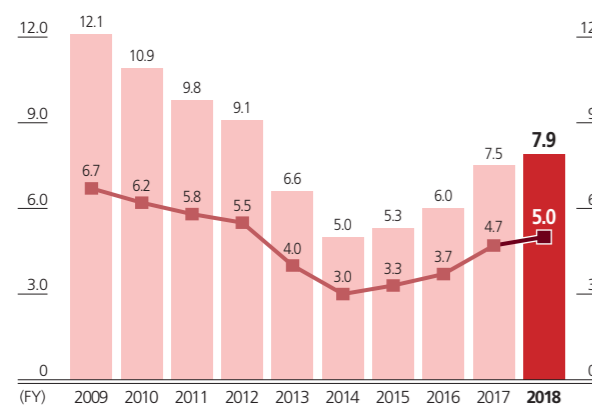
(billions of yen)



Free cash flow is the sum of cash flows from operating activities and investing activities. Fiscal 2018 free cash flows totaled 1,051 million yen, a 4,151 million yen (79.8%) decrease from the previous year due mainly to an increase in expenses for the purchase of shares of affiliates.

Operating profit **7.9** billion yen

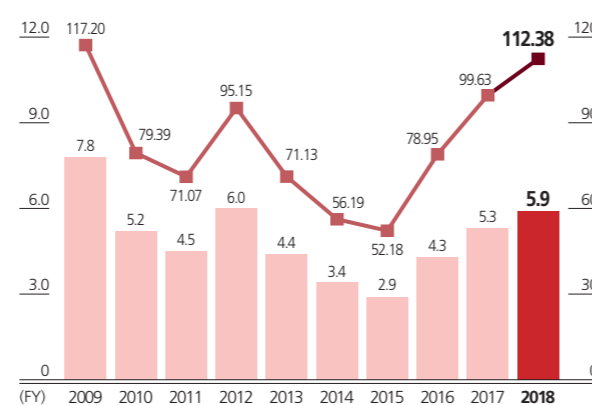
(billions of yen) ■ Operating profit ■ Operating margin (%)



Operating profit was affected by the decrease in sales and higher personnel expenses but benefited from a decrease in the cost of sales for rental products, lower promotional expenses and a decline in retirement benefit expenses associated with a change in the Duskin pension plan. As a result, operating profit was 7,954 million yen, a 396 million yen (5.2%) increase.

Profit attributable to owners of parent **5.9** billion yen

(billions of yen) ■ Profit attributable to owners of parent ■ Net profit per share (yen)

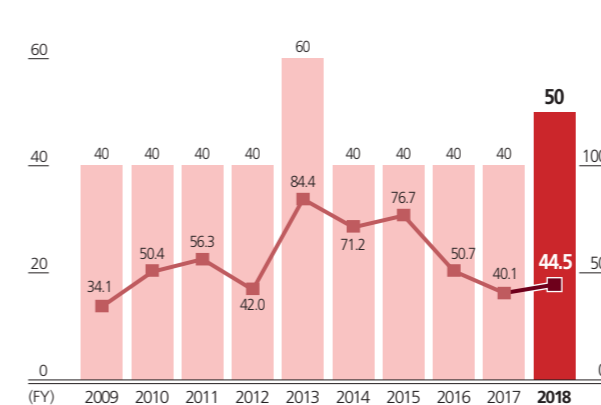


An expense was recorded to prepare for the liquidation of Mister Donut Shanghai Co., Ltd. in China and extraordinary losses increased partly because of a higher non-current asset impairment loss. Despite these items, profit attributable to owners of parent was 5,984 million yen, a 659 million yen (12.4%) increase.

Note: In FY2015, Duskin started using Revised Accounting Standard for Business Combinations (ASBJ Statement No. 21, September 13, 2013) and net income is reported as profit attributable to owners of parent.

Dividends per share **50** yen

(yen) ■ Dividends per share ■ Dividend payout ratio (%)

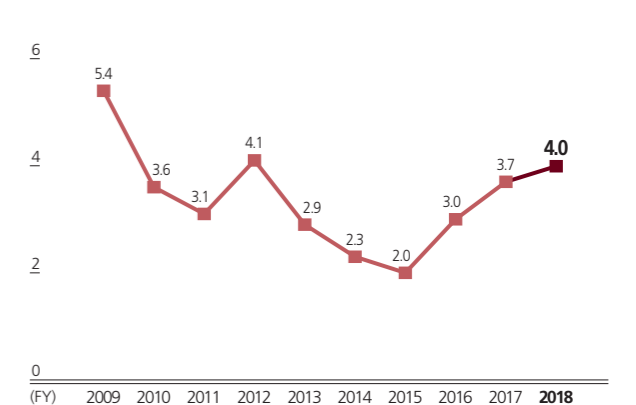


Our basic policy is to distribute profits to shareholders based on our performance while maintaining the proper balance between these distributions and the need to maintain financial soundness. A consolidated payout ratio of 50% is the guideline for the dividend for each fiscal year while maintaining the stability and consistency of dividend payments.

Note: The dividend for FY2013 includes a 20 yen 50th anniversary commemorative dividend, and the dividend for FY2018 includes a 10 yen 55th anniversary commemorative dividend.

Return on equity **4.0** %

(%)

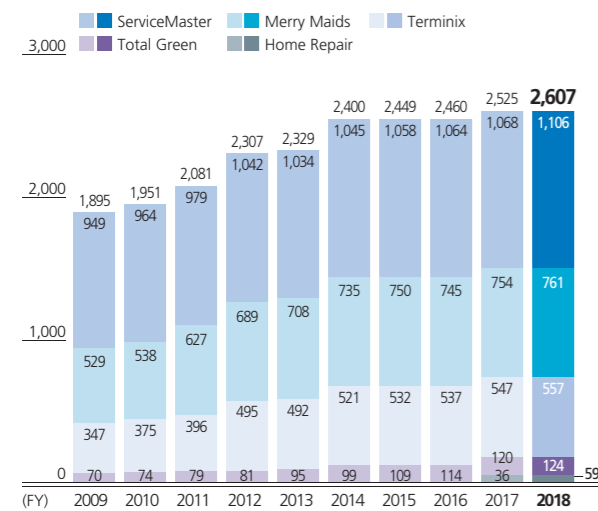


Duskin plans to increase the return on equity (ROE) by executing the strategies and capital policies in the Medium-Term Management Policy 2018. To improve capital efficiency and return earnings to shareholders, the Board of Directors approved a resolution to purchase up to 2,500,000 shares of treasury shares for 6.5 billion yen in February 2019.

Non-Financial Highlights

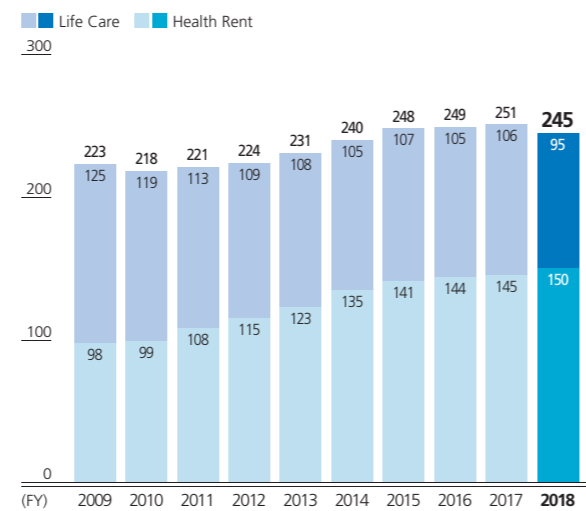
Sustainable Development of Society

Units of the Care Service Businesses **2,607**



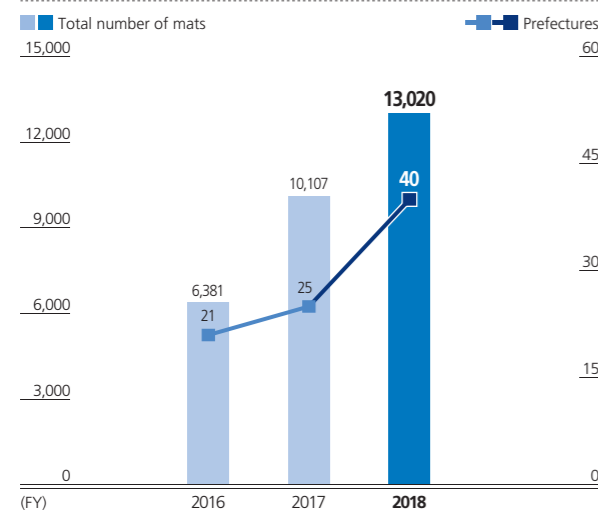
To meet the steadily growing need to outsource household chores and home cleaning, the Care Service Businesses have been building a strong infrastructure for serving customers. These business divisions except Home Repair are also increasing the number of franchisees by using a new franchise package that has a lower initial fee.

Units of the Senior Care Service Businesses **245**



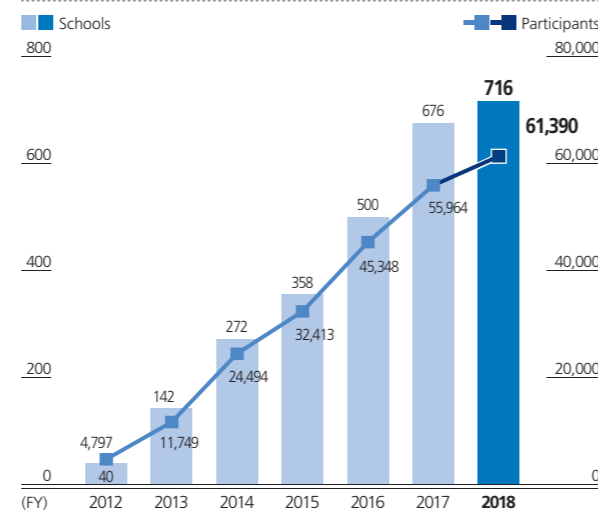
Life Care completed its rebranding in April 2018 and is accelerating the initiatives to recruit franchisees. Health Rent reported sales growth of 7.2% and increased the number of units even though the maximum rental price of healthcare items was regulated under the Long-Term Care Insurance System that was revised in October 2018.

Custom-made mats to prevent special frauds **13,020**



Cooperating with prefectural police, Duskin raises social awareness of special frauds, a nationwide problem, by manufacturing Prevention of Special Frauds Mats. This activity is taking place throughout Japan and the mats have been placed in front of automated teller machines at financial institutions and convenience stores.

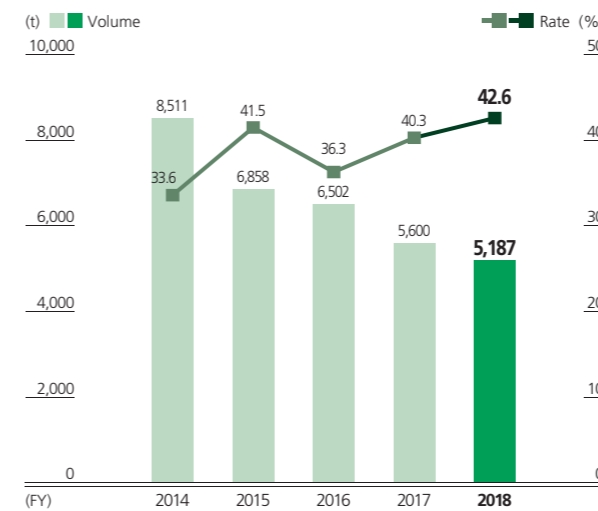
Sow the Seeds of Cleanliness Classrooms **716**



Duskin has been supplying comprehensive support for school education about cleaning by providing on-site lessons called Sow the Seeds of Cleanliness Classrooms for elementary children and holding seminars for schoolteachers. In addition, Duskin has posted the Cleaning Education Curriculum on its website.

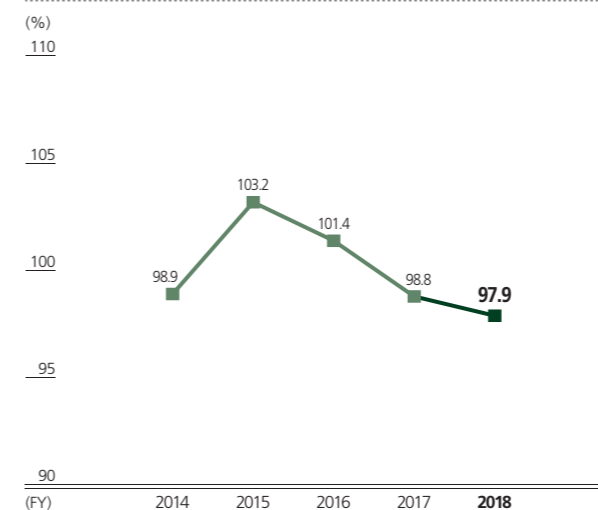
Eco-Friendliness

Rate of recycling food waste **42.6%**



Food Group has been working on reducing food waste. In the Kanto and Tokai areas, unsold donuts are transformed in processing plants into animal feed. In FY2019, recycling donuts into biogas is planned to start in the Kansai area.

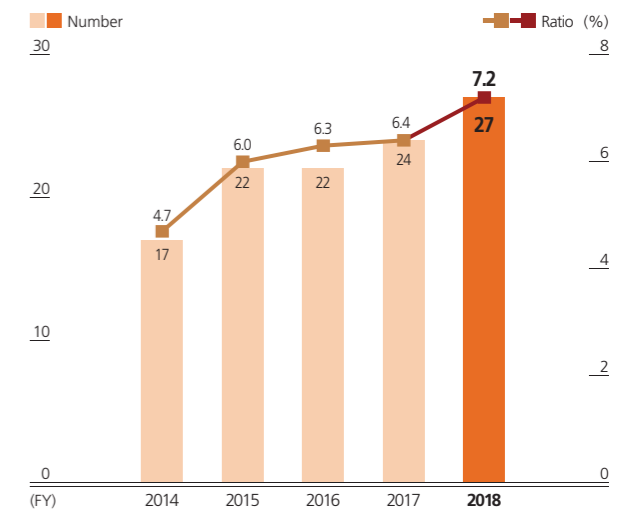
Energy intensity (compared to the previous fiscal year) **97.9%**



At Food Group, all shops and restaurants manage energy consumption by controlling air-conditioner settings and avoiding the simultaneous use of electrical equipment. Production & Logistics facilities use energy efficiently in business operations by using energy-saving equipment and operating machinery more efficiently.

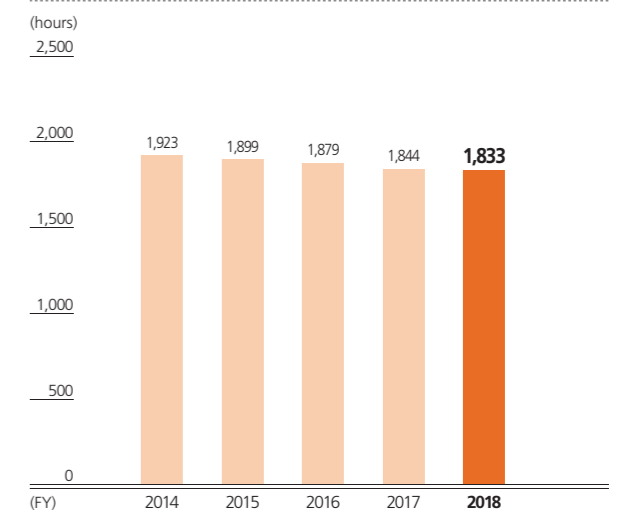
Human Resource Development

Ratio of female employees in managerial positions **7.2%**



Since many customers are women, Duskin is dedicated to supplying products and services that are attractive, convenient and comfortable from the perspective of women. Duskin is continuing to conduct many activities to support women in their career development and create an inclusive corporate culture and work environment.

Total annual hours worked per employee **1,833**



Duskin considers reducing working hours as one of its highest priorities. Data related to long working hours is reported periodically to the Board of Directors. Duskin has been implementing many initiatives, which includes taking 60% of annual paid leave, No Overtime Work Day at least once every month, turning off the lights at six p.m. at the Duskin Head Office building, and the Leave the Office Early Day Campaign.