



**FY2022 (Apr. 2022 - Mar. 2023)**

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# **Financial Results**

Duskin Co., Ltd.

May 24, 2023

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# Highlights of Consolidated Financial Results (vs. prior year / vs. forecast)

- Vs. prior year: Sales increased in all business segments.  
 Profit decreased mainly due to an increase in cost of sales as the Direct Selling Group began adopting RFID to its products.
- Vs. announced forecast: Direct Selling Group sales were lower than forecast; sales of the Food Group and Other Businesses were higher than forecast.  
 Profits of Other Businesses were lower than forecast; the Direct Selling Group and the Food Group posted higher profits than projected.

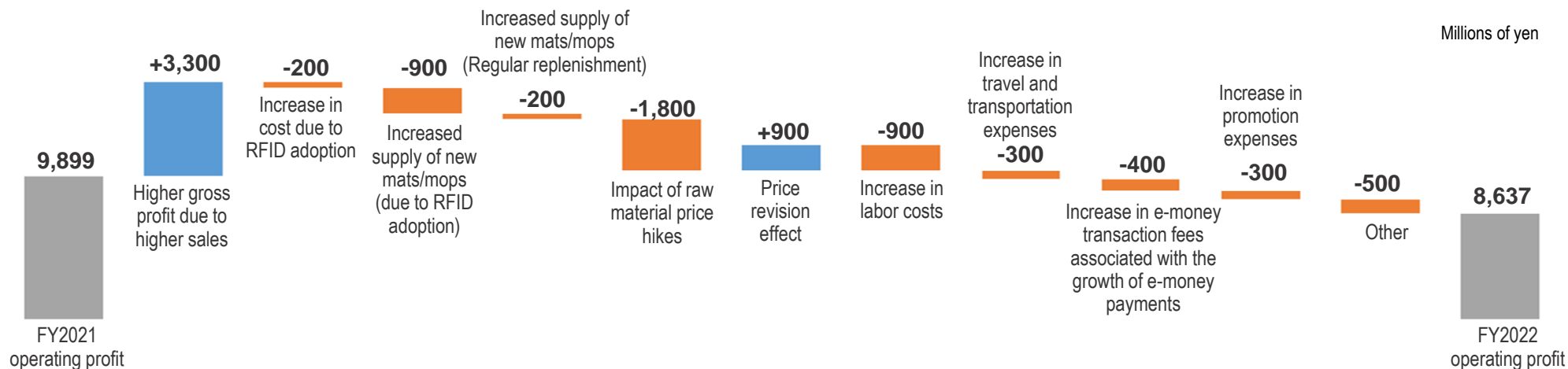
Millions of yen

	FY2021 [1]		Forecast announced on May 13, 2022 [2]		FY2022 [3]					
		Profit margin		Profit margin		Profit margin	Vs. prior year [3] – [1]		Vs. forecast [3] – [2]	
								Percentage change		Percentage change
Net sales	163,210	–	170,000	–	170,494	–	+7,283	+4.5%	+494	+0.3%
Operating profit	9,899	6.1%	7,800	4.8%	8,637	5.1%	-1,261	-12.7%	+837	+10.7%
Ordinary profit	12,215	7.5%	9,600	5.9%	11,375	6.7%	-839	-6.9%	+1,775	+18.5%
Profit attributable to owners of parent	8,132	5.0%	6,600	4.0%	7,196	4.2%	-935	-11.5%	+596	+9.0%
EPS (Yen)	164.71	–	133.51	–	146.13	–	-18.58	-11.3%	+12.62	+9.5%
ROE	5.49%	–	–	–	4.77%	–	-0.72	–	–	–

# Results Versus Prior Year

	Millions of yen	FY2021 [1]		FY2022 [2]		Vs. prior year [2] – [1]	
			Profit margin		Profit margin		Percentage change
Direct Selling Group	Net sales	107,128	–	108,469	–	+1,341	+1.3%
	Operating profit	10,539	9.8%	8,114	7.5%	-2,425	-23.0%
Food Group	Net sales	43,818	–	48,879	–	+5,061	+11.6%
	Operating profit	3,619	8.3%	5,473	11.2%	+1,853	+51.2%
Other Businesses	Net sales	15,414	–	16,229	–	+815	+5.3%
	Operating profit	873	5.7%	702	4.3%	-170	-19.5%
Intersegment elm. and corporate exp.	Net sales	-3,150	–	-3,085	–	+65	–
	Operating profit	-5,133	–	-5,652	–	-519	–
Consolidated	Net sales	163,210	–	170,494	–	+7,283	+4.5%
	Operating profit	9,899	6.1%	8,637	5.1%	-1,261	-12.7%

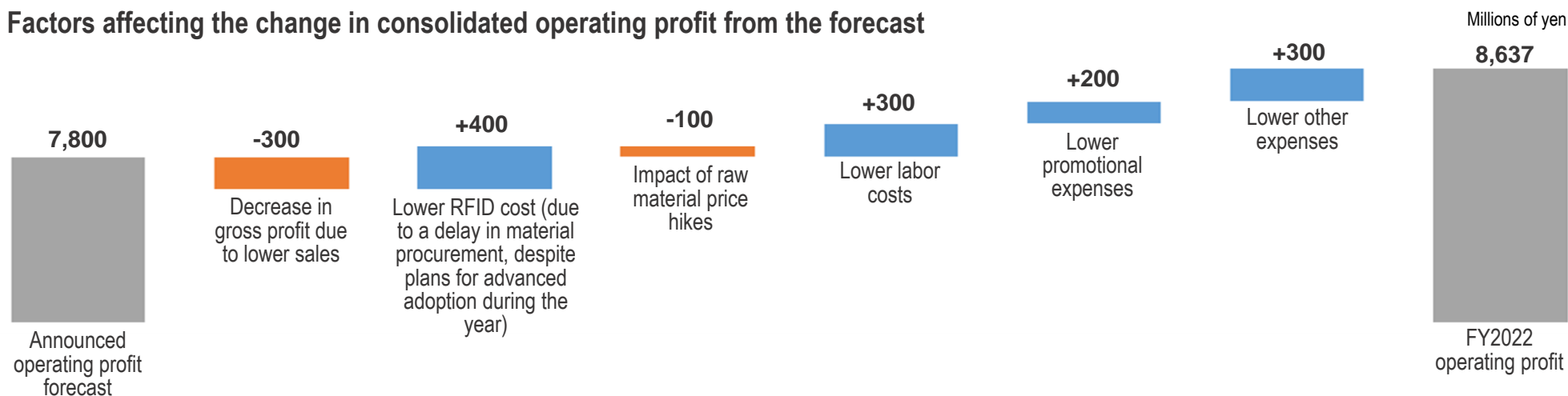
## Factors affecting increase/decrease in consolidated operating profit



# Results Versus Forecast

	Millions of yen	Forecast by segment announced on Nov. 22, 2022 [1]		FY2022 [2]			
				Profit margin		Vs. prior year [2] - [1]	
			Profit margin		Percentage change		
Direct Selling Group	Net sales	110,600	—	108,469	—	-2,130	-1.9%
	Operating profit	7,400	6.7%	8,114	7.5%	+714	+9.6%
Food Group	Net sales	46,900	—	48,879	—	+1,979	+4.2%
	Operating profit	4,700	10.0%	5,473	11.2%	+773	+16.5%
Other Businesses	Net sales	16,000	—	16,229	—	+229	+1.4%
	Operating profit	800	5.0%	702	4.3%	-97	-12.1%
Intersegment elm. and corporate exp.	Net sales	-3,500	—	-3,085	—	+414	—
	Operating profit	-5,100	—	-5,652	—	-552	—
Consolidated	Net sales	170,000	—	170,494	—	+494	+0.3%
	Operating profit	7,800	4.6%	8,637	5.1%	+837	+10.7%

## Factors affecting the change in consolidated operating profit from the forecast



# Consolidated Balance Sheet Summary

	Millions of yen		
	As of Mar. 31, 2022	As of Mar. 31, 2023	YoY change
Cash and deposits	23,360	18,207	-5,152
Trade receivables	12,266	11,553	-712
Inventories	10,411	11,132	+720
Securities	30,604	19,864	-10,739
Other	7,460	8,364	+904
<b>Total current assets</b>	<b>84,102</b>	<b>69,122</b>	<b>-14,980</b>
Property, plant and equipment	49,474	49,076	-397
Intangible assets	8,146	7,454	-691
Investment securities	46,176	61,743	+15,566
Other	10,154	10,127	-27
Investments and other assets	56,331	71,871	+15,539
<b>Total non-current assets</b>	<b>113,952</b>	<b>128,402</b>	<b>+14,449</b>
<b>Total assets</b>	<b>198,055</b>	<b>197,524</b>	<b>-530</b>
Trade payables	6,963	7,594	+630
Other	31,042	29,238	-1,804
<b>Total current liabilities</b>	<b>38,005</b>	<b>36,832</b>	<b>-1,173</b>
Long-term borrowings	1,530	1,115	-414
Other	7,493	7,802	+309
<b>Total non-current liabilities</b>	<b>9,023</b>	<b>8,917</b>	<b>-105</b>
<b>Total liabilities</b>	<b>47,029</b>	<b>45,750</b>	<b>-1,278</b>
Share capital	11,352	11,352	± 0
Retained earnings	122,401	124,943	+2,542
Treasury shares	-4,219	-7,102	-2,882
Valuation difference on AFS securities	7,195	8,532	+1,337
Other	14,296	14,048	-248
<b>Total net assets</b>	<b>151,026</b>	<b>151,774</b>	<b>+748</b>
<b>Total liabilities and net assets</b>	<b>198,055</b>	<b>197,524</b>	<b>-530</b>

## Current assets

Securities decreased, mainly due to redemption of bonds.

## Non-current assets

Investment securities increased, mainly due to purchase of bonds and an increase in latent profits.

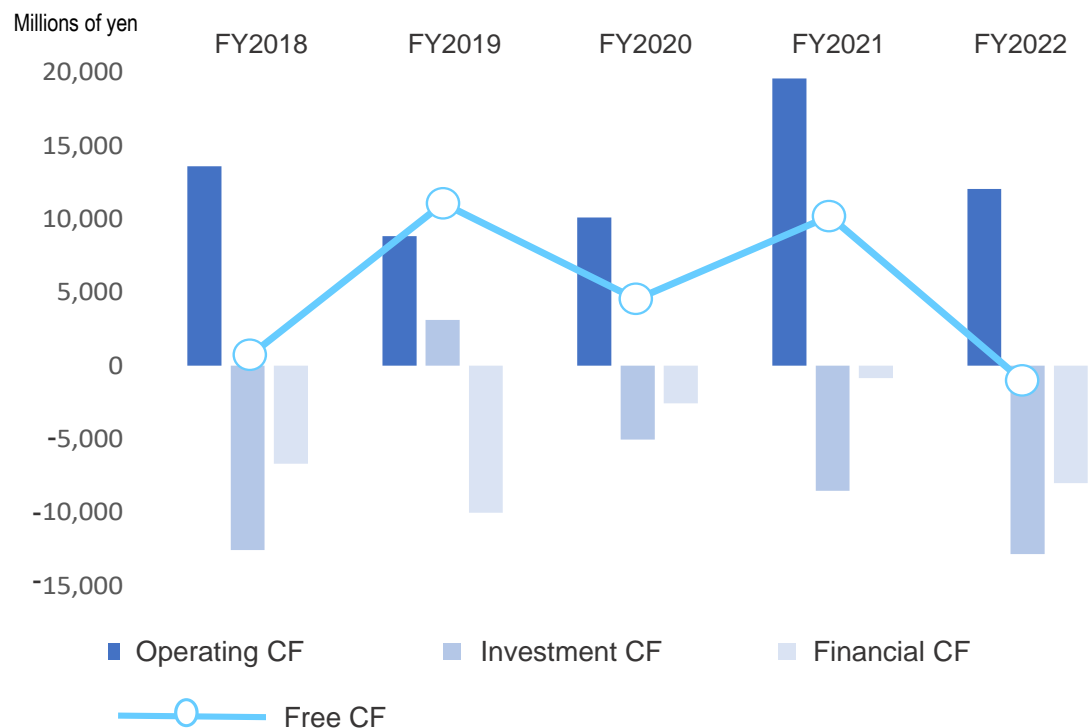
## Current liabilities

Income taxes payable decreased.

## Net assets

1,094,000 shares (3,303 million yen) of shares repurchased.

# Consolidated Cash Flow Summary



## Operating CF:

Increases recorded for income taxes paid and inventories.

## Investment CF:

Increases recorded for expenditures for bond and share purchases.

## Financial CF:

Increases recorded for expenditures for share repurchases and dividends paid.

	FY2018	FY2019	FY2020	FY2021	FY2022	YoY change
Operating CF	13,606	8,850	10,103	19,596	12,061	-7,534
Investment CF	-12,555	3,137	-5,019	-8,524	-12,844	-4,319
Free CF	1,051	11,988	5,083	11,071	-782	-11,854
Financial CF	-6,671	-10,022	-2,563	-835	-7,992	-7,157
Cash and cash equivalents at end of year	25,237	27,167	29,674	39,963	31,275	-8,687

Millions of yen

	FY2021 [1]		Forecast announced on Nov. 22, 2022 [2]		FY2022 [3]					
	Profit margin		Profit margin		Profit margin		Vs. prior year [3] - [1]		Vs. forecast [3] - [2]	
							Percentage change		Percentage change	
Net sales	107,128	—	110,600	—	108,469	—	+1,341	+1.3%	-2,130	-1.9%
Operating profit	10,539	9.8%	7,400	6.7%	8,114	7.5%	-2,425	-23.0%	+714	+9.6%

### Net sales (vs. prior year)

- Although sales for Care Service declined slightly, sales for all other businesses, including the core Clean Service business, increased.
- The Clean Service business, which carried out a price revision last July, enjoyed increased sales for both residential and commercial markets.
- In the Care Service business, customer-level sales (estimated sales to end customers) increased in all businesses, but sales of disinfecting/anti-bacterial materials and equipment and chemical agents to franchisees declined, resulting in a slight decrease in total sales.
- The Rent-All business, which last year saw an increase in sales mainly due to orders for vaccination sites, saw a decline in sales this year related to those orders, but sales overall this year increased as well mainly due to the gradual resumption of general events, which had been suspended during the pandemic.

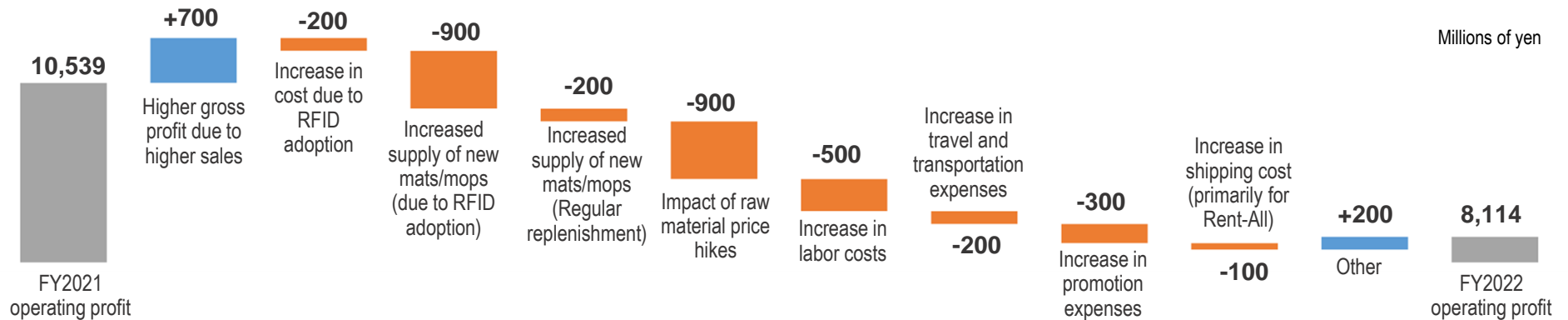
### Net sales (vs. forecast)

In the core Clean Service business, sales were lower than forecast for both the residential and commercial markets.



## Vs. prior year

Operating profit decreased mainly due to an increase in cost of sales following the start of RFID adoption and the impact of soaring raw material prices. Expenses also increased, including costs associated with operating a dedicated structure for sales visits and higher sales promotion and web advertising expenses associated with price revisions.



## Vs. forecast

RFID adoption was planned during FY2022, in advance of FY2023, but delays in procuring parts and materials resulted in lower-than-expected cost of sales. Expenses, including labor costs and promotional expenses, were less than projected as a result of reduction efforts.



Millions of yen

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Net sales	43,818	–	46,900	–	48,879	–	+5,061	+11.6%	+1,979	+4.2%
Operating profit	3,619	8.3%	4,700	10.0%	5,473	11.2%	+1,853	+51.2%	+773	+16.5%

### Net sales (vs. prior year)

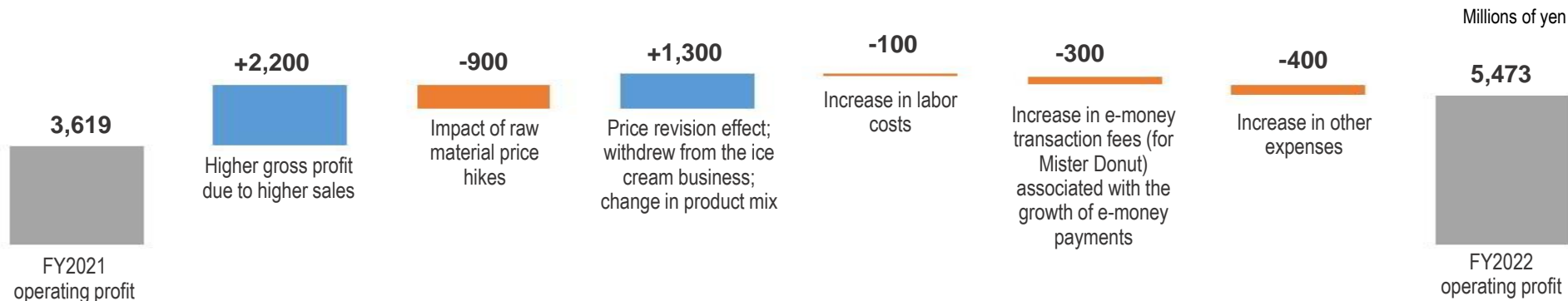
- The core business, Mister Donut, continued to perform well after two rounds of price revisions (March and November 2022). The number of shops in operation increased to 998 by March 2023 due to an increase in new shop openings. As a result, the number of operating days increased 1.8% versus the prior year, and total customer-level sales of all shops rose 13.6% versus the prior year.
- As part of the business portfolio review, the Company withdrew from the bakery and ice cream businesses during FY2021. Sales in other food businesses declined.

### Net sales (vs. forecast)

Sales of MISDO Meets and various other products exceeded forecasts. Sales of year-end lucky bags were also strong thanks to the success of online pre-order sales.

## Vs. prior year

Operating profit increased due to an increase in gross profit from higher sales and the effect of price revisions. Expenses increased due to an increase in transaction fees associated with the growth of e-money payments.



## Vs. forecast

The increase in gross profit due to higher sales offset the impact of higher-than-expected raw material prices and the use of sales promotion expenses to respond to price revisions.



Millions of yen

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							Percentage change		Percentage change	
Net sales	15,414	–	16,000	–	16,229	–	+815	+5.3%	+229	+1.4%
Operating profit	873	5.7%	800	5.0%	702	4.3%	-170	-19.5%	-97	-12.1%

### Net sales / operating profit (vs. prior year)

- Duskin Healthcare, Duskin Kyoeki, and overseas businesses all reported higher sales.
- Overseas, sales of Mister Donut recovered as the pandemic subsided, and raw material sales increased accordingly. Higher Big Apple sales and a weaker yen also contributed to higher sales.
- Profits declined mainly due to lower sales at Duskin Shanghai caused by the resurgence of the coronavirus during the fiscal year and the resulting lockdown in Shanghai and higher expenses at Duskin Healthcare.

### Net sales / operating profit (vs. forecast)

Raw material sales were higher than forecast due to the strong performance of Mister Donut in Taiwan.

# FY2023 Forecast (vs. FY2022)

Millions of yen

		FY2023 (Forecast)											
		1H		2H		Full Year		YoY change					
			Profit margin		Profit margin		Profit margin	1H	Percentage change	2H	Percentage change	Full Year	Percentage change
Direct Selling Group	Net sales	56,000	–	57,100	–	113,100	–	+1,811	+3.3%	+2,818	+5.2%	+4,630	+4.3%
	Operating profit	2,900	5.2%	1,600	2.8%	4,500	4.0%	-2,181	-42.9%	-1,432	-47.2%	-3,614	-44.5%
Food Group	Net sales	22,800	–	30,100	–	52,900	–	+1,440	+6.7%	+2,579	+9.4%	+4,020	+8.2%
	Operating profit	1,900	8.3%	3,700	12.3%	5,600	10.6%	-531	-21.9%	+658	+21.6%	+126	+2.3%
Other Businesses	Net sales	9,100	–	6,900	–	16,000	–	+1,070	+13.3%	-1,300	-15.9%	-229	-1.4%
	Operating profit	600	6.6%	200	2.9%	800	5.0%	+156	+35.4%	-59	-23.0%	+97	+13.8%
Intersegment elm. and corporate exp.	Net sales	-1,700	–	-1,600	–	-3,300	–	-35	–	-178	–	-214	–
	Operating profit	-3,100	–	-3,300	–	-6,400	–	-444	–	-302	–	-747	–
Consolidated	Net sales	86,200	–	92,500	–	178,700	–	+4,286	+5.2%	+3,919	+4.4%	+8,205	+4.8%
	Operating profit	2,300	2.7%	2,200	2.4%	4,500	2.5%	-3,000	-56.6%	-1,137	-34.1%	-4,137	-47.9%

## Direct Selling Group

Although we expect an increase in gross profit based on the sales growth plan, which projects an increase in sales to both commercial and residential customers of Clean Service, we also expect operating profit to decrease significantly due to the cost ratio deterioration mainly caused by RFID adoption costs and soaring raw material prices.

## Food Group

Mister Donut continues to perform well, and we expect sales to increase in FY2023 as in the previous year. Although we expect gross profit to increase accordingly, we forecast only a slight increase in operating profit due to further increases in raw material and distribution costs.

## Other Businesses

We expect segment sales to decline due to change in commercial distribution of paper towels as a result of the dissolution of Duskin Hong Kong. (No impact on consolidated business results)

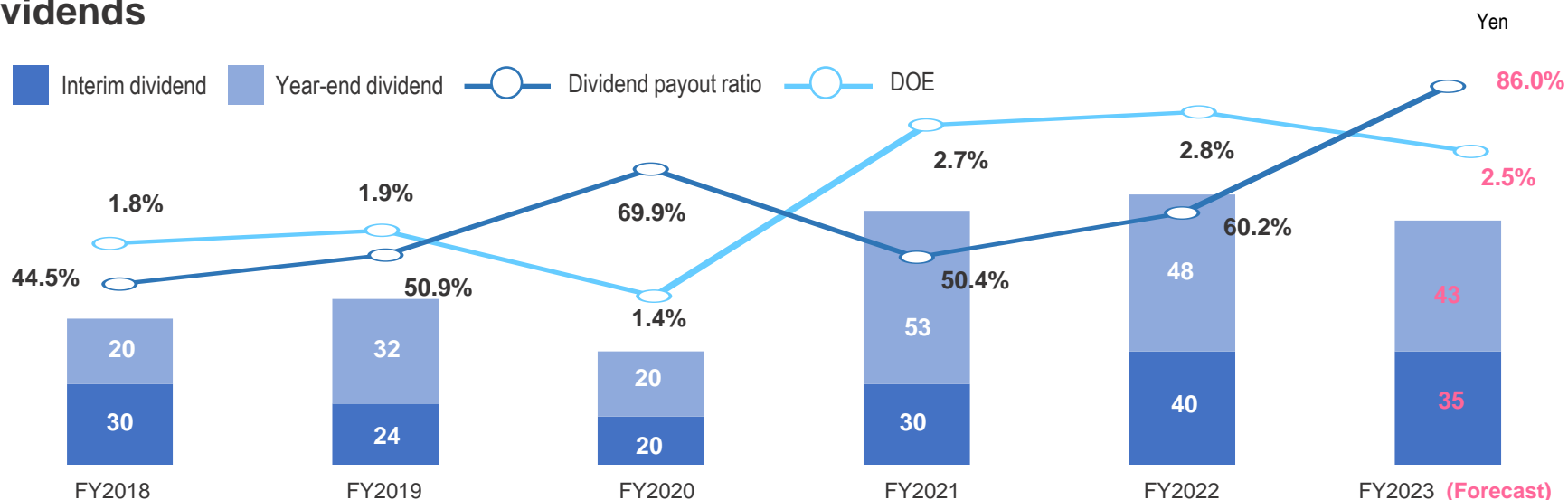
Note: Duskin Hong Kong is currently undergoing liquidation proceedings.

## Intersegment eliminations and corporate expenses

Results take into account increases in DX-related costs and labor costs.

# Returns to Shareholders

## Dividends



## Share repurchase in FY2022

Number of shares repurchased during the year: 1,094,700 shares (2.15% of total shares issued)

Amount repurchased: 3,303 million yen

## Total return ratio in FY2022

Dividends paid: 4,351 million yen (Interim: 2,001 million yen + year-end: 2,349 million yen)

Share repurchase: 3,303 million yen

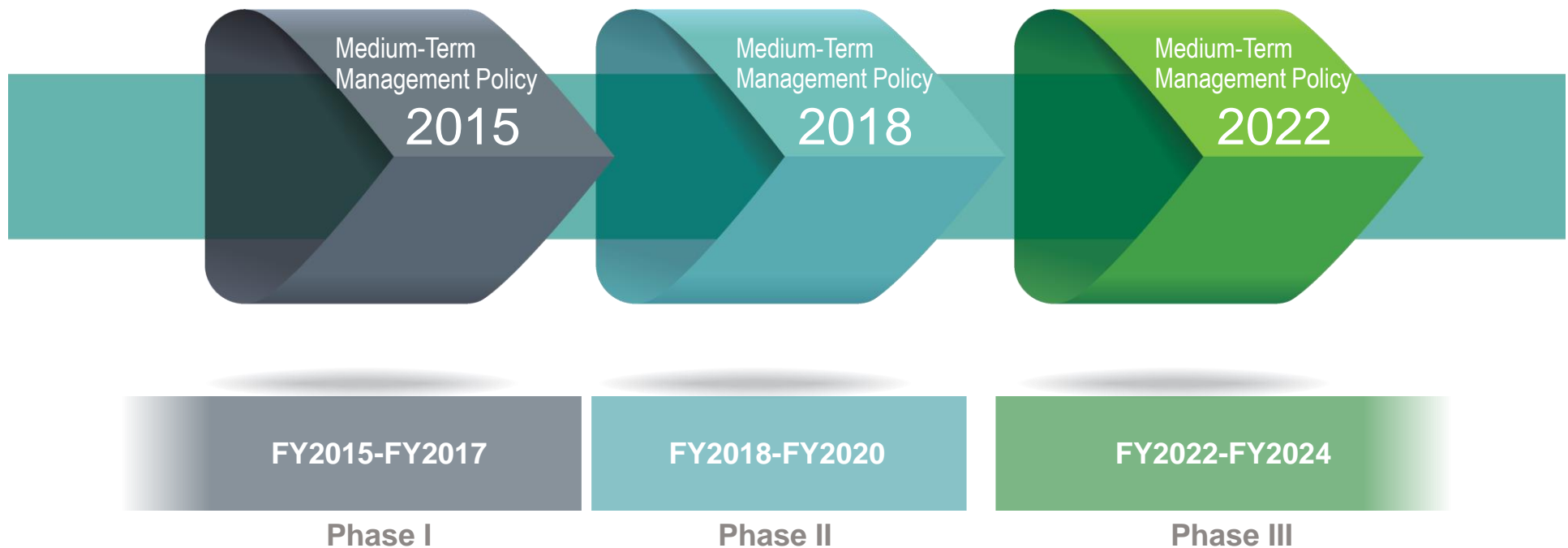
Total: 7,654 million yen (Total return ratio: 106.4%)

# Medium-Term Management Policy 2022 Goals

# Moving Toward ONE DUSKIN's Third and Final Phase

**ONE DUSKIN**  
The most attentive service provider in the world

Our three-year business plan, Medium-Term Management Policy 2022, will span the three years from FY2022 to FY2024.



We are committed to implementing the initiatives within Phase III marking the completion of our long-term strategy ONE DUSKIN while further solidifying the foundation established during Phases I and II. We will make every effort to remain valuable to society and thereby to expand our corporate value.



## Three Strategic Themes



### Theme 1 | Reforming our business portfolios

Reforming our business portfolios to address the changing business climate and solve social issues

- Reforming and expanding existing businesses  
Expanding our areas of business and boosting the value chain by bringing new products and services to market
- Investment in new growth opportunities  
Creating social values by contributing to the resolution of pending social issues



### Theme 2 | Establishing a solid foundation

Solidifying our business base to enhance corporate value

- Strengthening human and technology resources; reinforcing management systems for our organization and businesses



### Theme 3 | Coexistence with local communities

Actions towards a sustainable society and management

- Contributing to the creation of a sustainable society and strengthening our corporate governance geared to the needs of society

# Medium-Term Management Policy 2022 Goals: Direct Selling Group



## Theme 1 | Reforming our business portfolios

- Reforming and expanding existing businesses

In line with our goal of helping both residential and commercial customers fine-tune the rhythm of their daily lives, we place highest priority on hygiene and cleanliness while also focusing on work-life management and senior support.



### Hygiene and Cleanliness



### Reforming Information and Distribution Systems

#### Organizational strategies

Establish a sales team dedicated to residential customers and also have as many franchisees as possible establish such sales teams.



#### CX strategies

Enhance e-commerce, SNS and application functions to improve the CX value.



#### Location strategies

Construct a robust service delivery system by establishing new sales units in response to market demand.



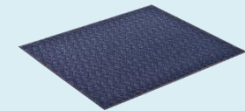
#### Laundry and distribution strategies

Introduce RFID electronic tags and smart factories to improve efficiency and reduce workforce.



#### Product/service development strategies

Establish a revenue base by deepening and expanding focus areas.



### Work-Life Management



### Senior Support

# Medium-Term Management Policy 2022 Goals: Food Group



## Theme 1 | Reforming our business portfolios

- Reforming and expanding existing businesses

With the goal of creating shops where anyone and everyone can enjoy happy moments at any time, we seek to deliver enjoyment and tastiness to customers.

### New Business Model Development

Develop new business models that cater to different locations, customer base and needs than the existing brands.

### Strengthening of the Current Value Chain

Realize in-house processing of key raw materials and in-house distribution in existing businesses.

### Merchandising

Create new products and sales opportunities leveraging the brand.

Key to success in our existing businesses lies in increasing convenience for customers

#### Product/service development strategies

Give customers more reasons to use our services.



MISDO Meets



MISDO GOHAN

#### Shop opening strategies

Open shops in suburban and urban locations.



Kitchen-less shops inside train stations



Suburban drive-through locations

#### CX strategies

Deliver new value to customer experiences.



Food delivery



Product pick-up box

### Reforming Information and Distribution Systems

# Medium-Term Management Policy 2022 Goals



## Theme 1 | Reforming our business portfolios

- Investment in new growth opportunities

### Taking a more aggressive stance on M&As and R&D

- ▶ In areas of business that work to resolve social issues through a synergistic effect with existing business
- ▶ In areas of business that address social issues, such as environmental preservation, falling birth rates/the aging population and regional revitalization, holding the potential for future synergy with existing businesses

### Overseas strategy

- ▶ Besides achieving growth in countries where we currently operate, we are moving into new countries upon careful consideration of market conditions.



## Theme 2 | Establishing a solid foundation

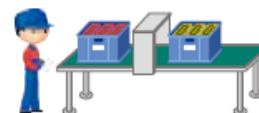
- Strengthening human and technology resources; reinforcing management systems for our organization and businesses

### Human capital management

- ▶ Securing and training personnel needed to transform our business portfolio
- ▶ Taking steps toward diversity management and inclusion

### Digital transformation (DX)

- ▶ Forging the basis for DX by setting up a special section dedicated to the shift to the cloud
- ▶ Adopting RFID on rental products; making laundry plants into smart factories



# Progress of Initiatives in FY2022 and How We Will Address a Changing Business Environment



# Changes in the Business Environment

Learning to live with the virus



Growing hygiene awareness



Aging society



Soaring commodity and raw material prices



Soaring costs



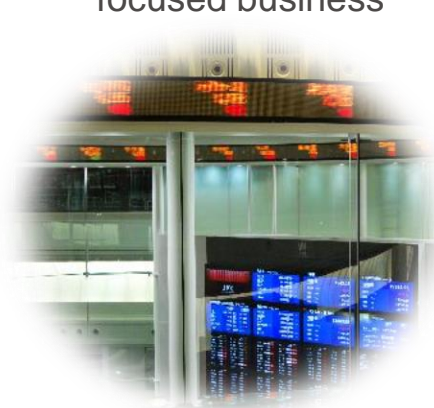
Food safety



Rapidly evolving digital technology



Achieving a capital cost- and stock price-focused business

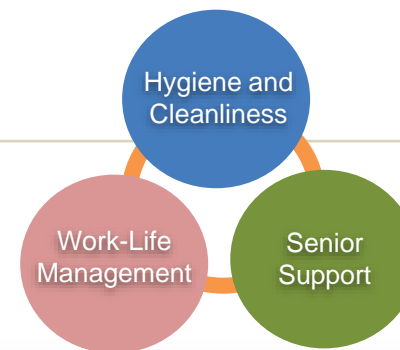


# FY2022 and Future Initiatives: Direct Selling Group



## Theme 1 | Reforming our business portfolios

- Reforming and expanding existing businesses



## Initiatives in FY2022

### Product/service development strategies

- Sales composition ratio of high value-added products with enhanced hygiene functions\* increased to 55%.

\* This refers to existing hygiene products/services with disinfecting, antibacterial and/or antiviral functions.

- Started a trial rollout in the Kinki region for Duskin Rescue's emergency locksmith service.



- Concluded a business alliance with Qracian Co., Ltd. to expand the service range of our business focusing on enriching consumer quality of life.



### Location strategies

- Accelerated establishment of new Care Service sales units (114 sales units)
- The Senior Care business established 16 new sales units.

## Future Initiatives

### Organizational strategies

- Have as many franchisees as possible establish a sales team dedicated to residential customers.



### CX strategies

- Expand DDuet membership
- Strengthen web advertising, etc.



### Location strategies

- Encourage Care Service and Senior Care business franchisees to establish more sales units.



### Distribution strategies

- Adopt RFID electronic tags for rental mats/mops.



# FY2022 and Future Initiatives: Food Group



## Theme 1 | Reforming our business portfolios

- Reforming and expanding existing businesses

### Initiatives in FY2022

#### Product/service development strategies

- Upgraded menus for such categories as MISDO Meets and MISDO GOHAN.



#### Shop opening strategies

- Opened shops in a variety of formats.
- Renovated shops to provide a more relaxed atmosphere.



#### CX strategies

- Enhanced online ordering capabilities.



**misdo ネットオーダー**

### Future Initiatives

#### Product/service development strategies

- Strengthen measures to give customers more reasons to use our services.

**misdo**



#### Shop opening strategies

- Open new shops in urban areas where we have not yet opened; renovate existing shops.



#### CX strategies

- Further expand our online ordering and delivery services.



New Business Model Development

Strengthening of the Current Value Chain

Merchandising



# FY2022 and Future Initiatives



## Theme 1 | Reforming our business portfolios

- Investment in new growth opportunities

### Initiatives in FY2022

#### Alliance

- Concluded a business alliance with Qracian Co., Ltd.



#### Overseas strategies

- Concluded a master franchise agreement with RE&S Enterprises Pte Ltd.
- Signed an agreement with Duskin Serve Taiwan Co., Ltd. to introduce home cleaning and helper services to that region.



### Future Initiatives

#### Acquisition of advanced technologies

- Actively invest in venture companies.



#### Overseas strategies

- Move toward becoming a total cleaning and care service provider.



# FY2022 and Future Initiatives



## Theme 2 | Establishing a solid foundation

- Strengthening human and technology resources; reinforcing management systems for our organization and businesses

### Initiatives in FY2022

#### Human capital management

- Established a division called Continuous Process Improvement as a division to raise employees awareness on how to approach their work.
- Reformed personnel system to promote diversity and inclusion.
- Introduced new education tools for all our employees.



### Future Initiatives

#### Human resource development

- Invest in the human resources that are the backbone of our business.
- Develop and strengthen human resources capable of transforming the business portfolio.



#### Greater corporate value

- Focus on capital cost and profitability.
- Further strengthen appropriate allocation and monitoring of operational resources.



# Appendix

# Duskin Co., Ltd. (Non-consolidated) Financial Summary

Millions of yen

	FY2021 [1]		FY2022 [2]			
	Profit margin		Profit margin		YoY change [2] – [1] Percentage change	
Net sales	132,333	–	138,560	–	+6,227	+4.7%
Operating profit	6,828	5.2%	5,752	4.2%	-1,076	-15.8%
Ordinary profit	10,563	8.0%	10,125	7.3%	-437	-4.1%
Net profit	7,400	5.6%	6,944	5.0%	-455	-6.2%

# Customer-Level Sales of Our National Chains

	FY2021	FY2022			Millions of yen
			YoY change		
				Percentage change	
<b>Direct Selling Group</b>	<b>265,659</b>	<b>270,081</b>	<b>+4,421</b>	<b>+1.7%</b>	
Total Clean Service	172,299	173,558	+1,258	+0.7%	
Clean Service (residential customer)	82,138	81,731	-407	-0.5%	
Clean Service (commercial customer)	90,160	91,826	+1,666	+1.8%	
Total Care Service	55,781	56,831	+1,050	+1.9%	
ServiceMaster	32,067	32,195	+128	+0.4%	
Merry Maids	11,607	11,792	+184	+1.6%	
Terminix	8,477	8,917	+440	+5.2%	
Total Green	3,373	3,662	+288	+8.5%	
Home Repair	255	263	+8	+3.2%	
Rent-All	14,819	16,398	+1,579	+10.7%	
Health Rent	12,495	13,365	+870	+7.0%	
Uniform Service	3,131	2,863	-267	-8.6%	
Azare Products	2,789	2,788	-0	-0.0%	
Life Care	2,240	2,273	+32	+1.5%	
Health & Beauty	2,103	2,002	-101	-4.8%	
<b>Food Group</b>	<b>95,031</b>	<b>107,388</b>	<b>+12,357</b>	<b>+13.0%</b>	
Mister Donut	92,951	105,570	+12,619	+13.6%	
Katsu & Katsu	1,627	1,755	+128	+7.9%	
Other food businesses	452	62	-390	-86.3%	
<b>Other Businesses</b>	<b>28,698</b>	<b>34,302</b>	<b>+5,604</b>	<b>+19.5%</b>	
Clean Service and Care Service (Overseas)	6,473	7,555	+1,082	+16.7%	
Mister Donut (Overseas)	12,112	16,075	+3,962	+32.7%	
Big Apple	1,554	2,001	+446	+28.7%	
Duskin Healthcare	8,557	8,670	+112	+1.3%	
<b>Total</b>	<b>389,388</b>	<b>411,772</b>	<b>+22,383</b>	<b>+5.7%</b>	

- Notes:
- The above sales figures represent total sales for our domestic and overseas company-owned sales locations and subsidiaries, as well as projected sales for our franchisees. These figures are for reference purposes.
  - Figures for the customer-level sales of our overseas businesses are noted in total figures for January-December in order to accommodate the fiscal year-end for our overseas subsidiaries included in our consolidated financial statements.
  - Sales of MOSDO are included in those of Mister Donut.

# Number of Sales Units

	FY2021	FY2022		No. of units
			YoY change	
<b>Direct Selling Group</b>	<b>5,683</b>	<b>5,728</b>	<b>+45</b>	
Clean Service	1,852	1,838	-14	
ServiceMaster	1,159	1,183	+24	
Merry Maids	773	790	+17	
Terminix	560	553	-7	
Total Green	155	166	+11	
Home Repair	95	103	+8	
Rent-All	102	102	+0	
Health Rent	172	180	+8	
Uniform Service	215	215	+0	
Azare Products	44	43	-1	
Life Care	94	96	+2	
Health & Beauty	462	459	-3	
<b>Food Group</b>	<b>996</b>	<b>1,009</b>	<b>+13</b>	
Mister Donut	979	993	+14	
Katsu & Katsu	15	15	+0	
Other food businesses	2	1	-1	
<b>Other Businesses</b>	<b>9,663</b>	<b>11,474</b>	<b>+1,811</b>	
Clean Service and Care Service (Overseas)	25	25	+0	
Mister Donut (Overseas)	9,557	11,362	+1,805	
Big Apple	81	87	+6	
<b>Total</b>	<b>16,342</b>	<b>18,211</b>	<b>+1,869</b>	

Notes: • Because some business locations operate multiple businesses, the number of locations above may differ from the actual number of offices.  
 • The number of sales locations is the total of company-owned sales locations, those operated by subsidiaries and franchisees. (The figures show the number of locations in operation.)  
 • The number of overseas sales locations is as of December 31.

## Direct Selling Group

### Direct Selling

#### For residential customer market

- **Clean Service**  
(Rental service through periodic visits)
  - Dust Control [Mops and mats]
  - Air Control [Air purifiers]
  - Water Control [Water purifiers]
  - Drink Service [Mineral water delivery]
- **Care Service**  
(Professional cleaning and technical services)
  - ServiceMaster [Professional cleaning]
  - Merry Maids [Home cleaning and helper services]
  - Terminix [Pest control and prevention]
  - Total Green [Plant and flower upkeep]
  - Home Repair [Wall and floor repair]
- **Health & Beauty** [Cosmetics and health food]
- **Life Care** [Support services for seniors]

#### For commercial customer market

- **Clean Service**  
(Rental service through periodic visits)
  - Dust Control [Mops and mats]
  - Clean Service [Restroom products]
  - Air Control [Air purifiers]
  - Water Control [Water purifiers]
  - Wipeful Service [Wiper cloths]
  - Drink Service [Office coffee service]
- **Care Service**  
(Professional cleaning and technical services)
  - ServiceMaster [Office cleaning]
  - Terminix [Pest control and prevention]
  - Total Green [Plant and flower upkeep]
  - Home Repair [Wall and floor repair]
- **Uniform Service** [Leasing, sales and cleaning]

**In-Store Sales** ● Rent-All [Event planning/operation and rental of daily items] ● Health Rent [Rental and sales of assisted-living products]

## Food Group

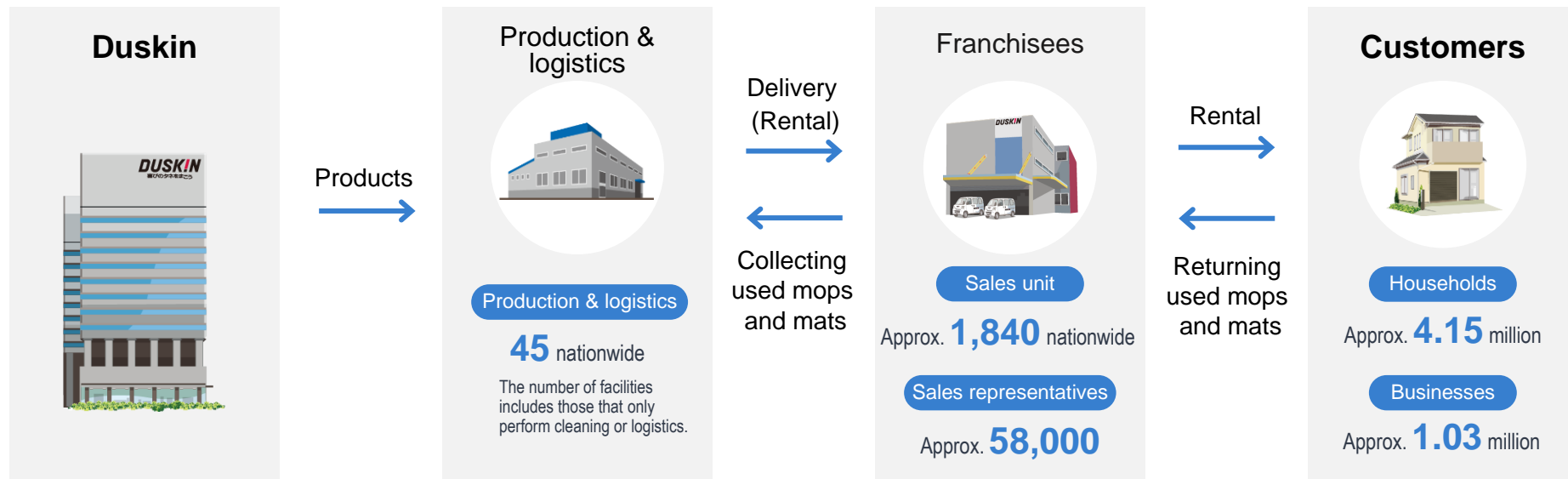
- **Mister Donut**  
[Homemade donut shops]
- **MOSDO**  
[Collaborated shops with MOS Burger]
- **Katsu & Katsu**  
[Pork cutlet restaurants]
- **Pie Face**  
[Pie specialty shops]

## Other Businesses

- **Duskin Healthcare**  
[Hospital hygiene management service]
- **Duskin Kyoeki**  
[Leasing business and insurance services]
- **Overseas businesses**  
Clean Service and Care Service  
Mister Donut  
Big Apple  
Duskin Hong Kong

# Dust Control Business Model

Through our franchisees, we provide mops, mats and other cleaning and hygiene products for rent, for use both in the home and in business spaces.

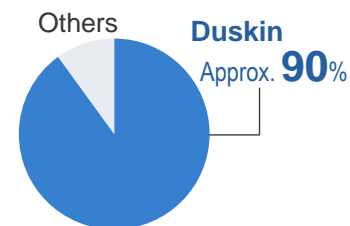


## Our competitive advantages

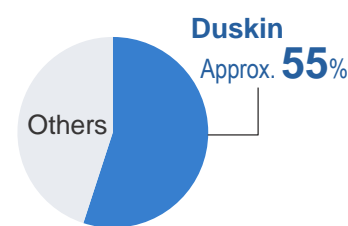
- 1 A solid customer basis
- 2 Franchise networks and product delivery systems rooted in the community
- 3 A reputation for trust and reliability built through our 55-plus-year history
- 4 Cross-selling opportunities available by way of a synergistic effect between the Direct Selling Group businesses
- 5 Extensive training curricula and comprehensive training facilities

## Market share

### Residential customer



### Commercial customer

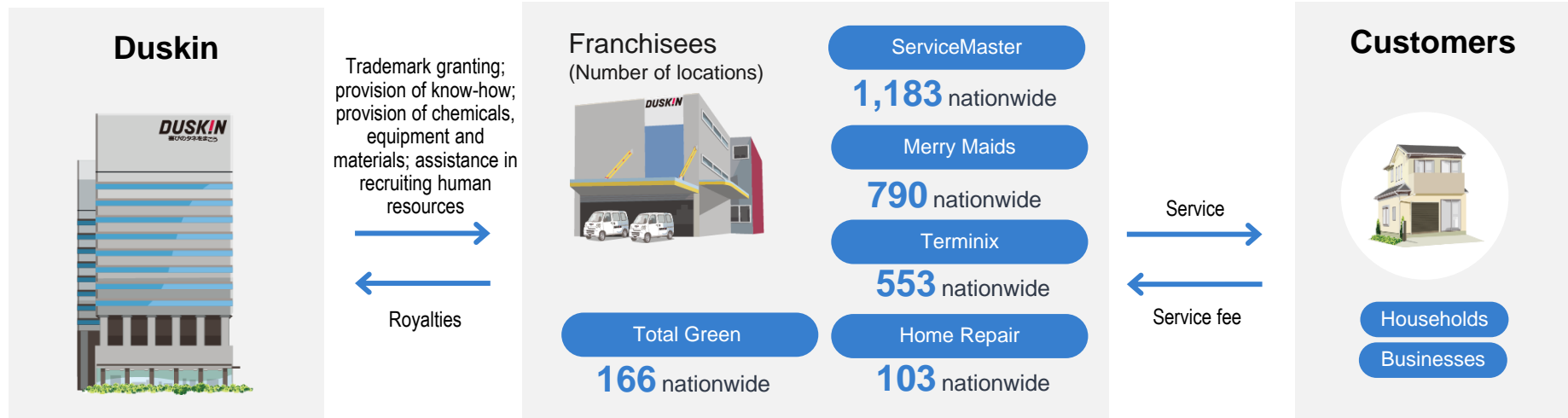


Source: Japan Dust Control Association data (assembled by Duskin)

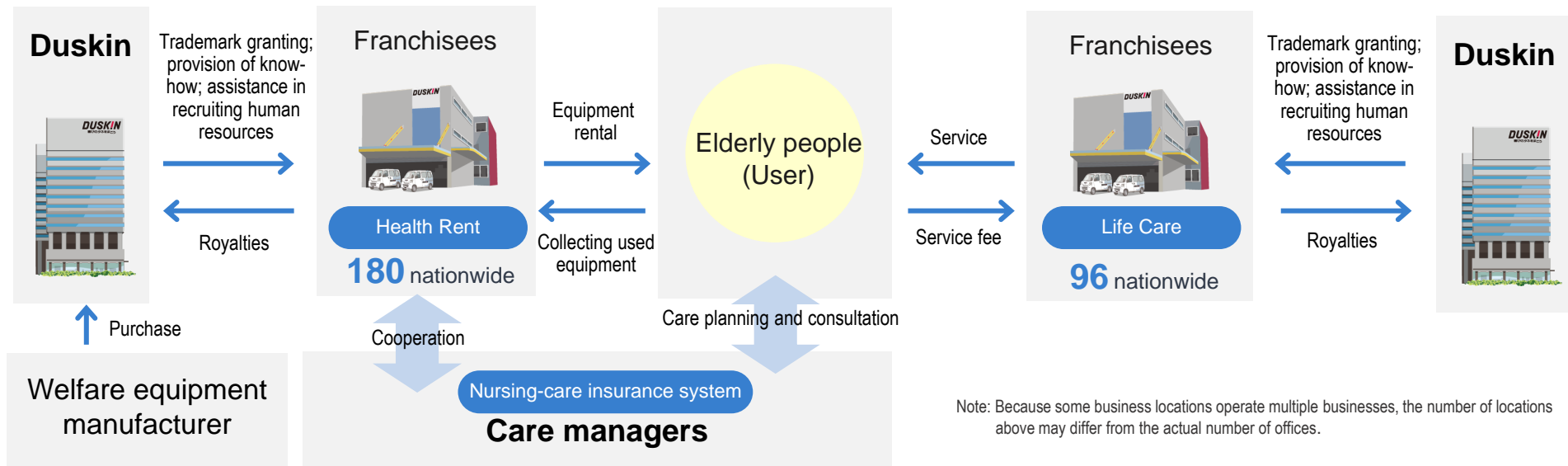


# Care Service and Senior Care Business Models

## Care Service



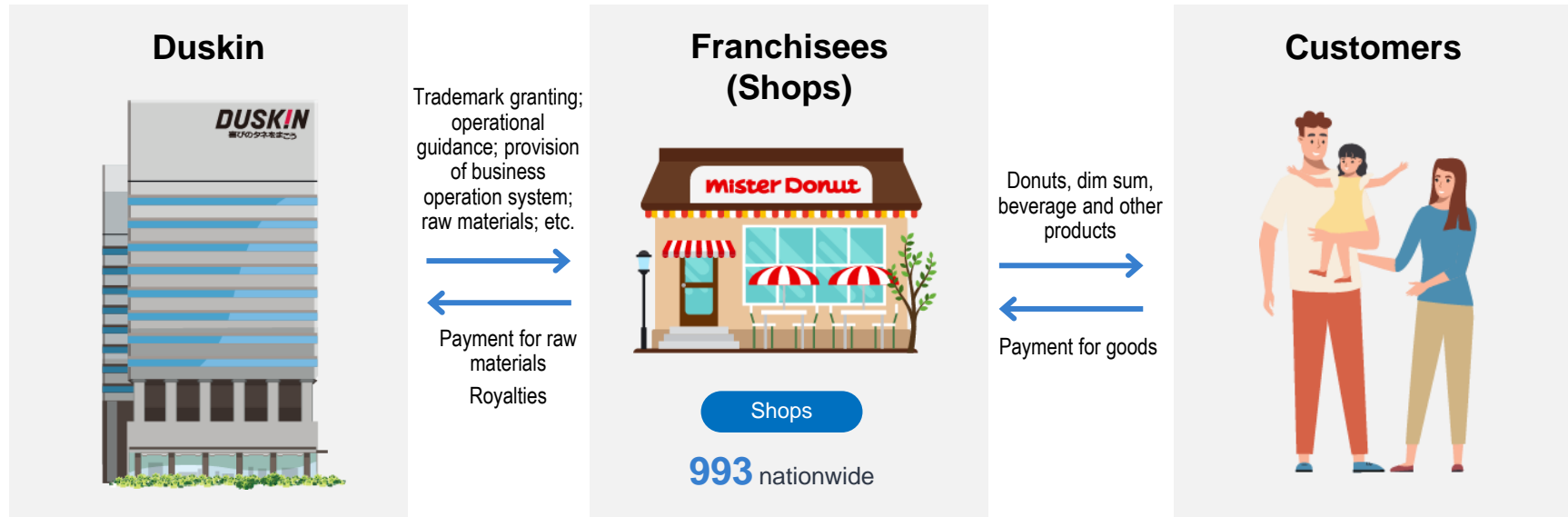
## Senior Care



Note: Because some business locations operate multiple businesses, the number of locations above may differ from the actual number of offices.

# Mister Donut Business Models

To realize our goal of creating shops where every customer happens upon “something good” at any time, we make the Mister Donut experience fun and our products always delicious.

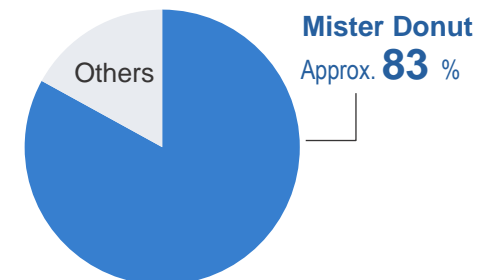


## Our competitive advantages

- 1 Over 900 locations providing places for us to interact with customers
- 2 A well-established donut brand backed by a 50-plus year history
- 3 Ability to effectively meet takeout demand
- 4 Joint product development with other brands, incorporating high standards for materials and sophisticated technologies
- 5 A unique training system delivering the same level of quality and service around the nation

Note: As some shops operate multiple businesses, the number of shops above may differ from the actual number of shops.

## Market share



Source: Calculated by Duskin



**Cautionary Note Regarding Forward-Looking Statements**

These materials contain forward-looking statements concerning forecasts, goals, strategies and other matters of the Company and its consolidated subsidiaries. These forward-looking statements are based on information currently available to the Company and certain assumptions that the Company deems reasonable and are not intended to be a promise by the Company that they will be achieved. Actual results may differ materially due to various factors.