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FY2023 (Apr. 2023 - Mar. 2024)

Financial Results

Duskin Co., Ltd.

May 21, 2024

	Page
Highlights of Consolidated Financial Results	2
Results Versus Prior Year	3
Results Versus Forecast	4
Consolidated Balance Sheet Summary	5
Consolidated Cash Flow Summary	6
Direct Selling Group: Business Performance Summary	7
Operating Profit	8
Food Group: Business Performance Summary	9
Operating Profit	10
Other Businesses: Business Performance Summary / Operating Profit	11
FY2024 Forecast	12
Returns to Shareholders	13
Medium-Term Management Policy 2022 Goals	14
Appendix	26

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

Vs. prior year:

Sales declined in the Direct Selling Group and Other Businesses. The Food Group posted a significant increase in sales. Profit decreased due to higher costs associated with the installation of RFID tags, as well as higher expenses, including personnel expenses and expenses incurred in response to the introduction of the qualified invoice system.

Vs. announced forecast:

Sales were largely in line with forecasts, while profits were higher. Profit was higher than expected mainly because the cost ratio of Mister Donut was lower than expected.

Millions of yen

	FY2022 [1]		Forecast announced on May 15, 2023 [2]		FY2023 [3]		Vs. prior year [3] - [1]		Vs. forecast [3] - [2]	
	Profit margin		Profit margin		Profit margin		Percentage change		Percentage change	
Net sales	170,494	–	178,700	–	178,782	–	+8,288	+4.9%	+82	+0.0%
Operating profit	8,637	5.1%	4,500	2.5%	5,084	2.8%	-3,553	-41.1%	+584	+13.0%
Ordinary profit	11,375	6.7%	6,500	3.6%	7,863	4.4%	-3,512	-30.9%	+1,363	+21.0%
Profit attributable to owners of parent	7,196	4.2%	4,400	2.5%	4,574	2.6%	-2,622	-36.4%	+174	+4.0%
EPS (Yen)	146.13	–	90.72	–	95.01	–	-51.12	-35.0%	+4.29	+4.7%
ROE	4.77%	–	–	–	2.99%	–	-1.77	–	–	–

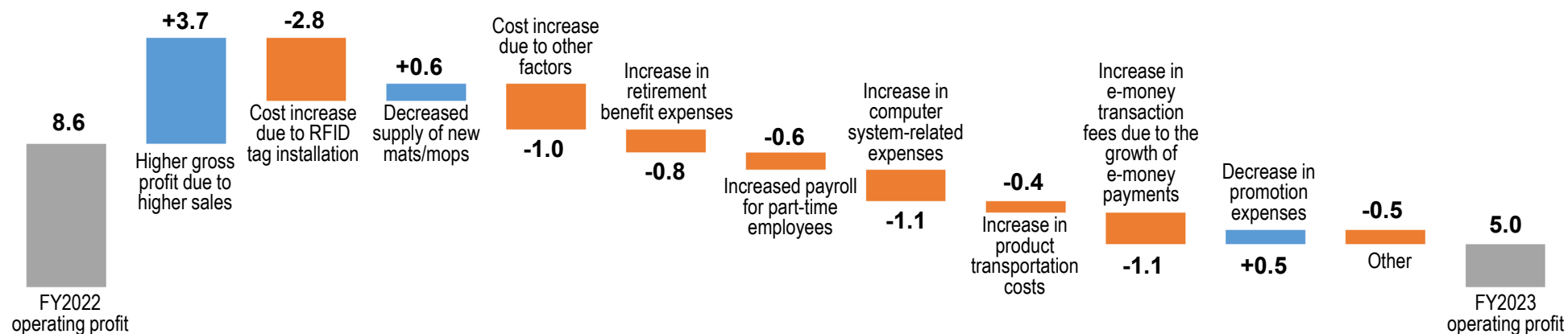
Results Versus Prior Year

Millions of yen

		FY2022 [1]		FY2023 [2]		Vs. prior year [2] - [1]	
		Profit margin		Profit margin		Percentage change	
Direct Selling Group	Net sales	108,469	—	107,464	—	-1,004	-0.9%
	Operating profit	8,114	7.5%	4,142	3.9%	-3,971	-48.9%
Food Group	Net sales	48,879	—	58,437	—	+9,557	+19.6%
	Operating profit	5,473	11.2%	6,916	11.8%	+1,443	+26.4%
Other Businesses	Net sales	16,229	—	15,646	—	-583	-3.6%
	Operating profit	702	4.3%	440	2.8%	-262	-37.3%
Intersegment elm. and corporate exp.	Net sales	-3,085	—	-2,766	—	+319	—
	Operating profit	-5,652	—	-6,415	—	-762	—
Consolidated	Net sales	170,494	—	178,782	—	+8,288	+4.9%
	Operating profit	8,637	5.1%	5,084	2.8%	-3,553	-41.1%

Factors affecting increase/decrease in consolidated operating profit

Billions of yen



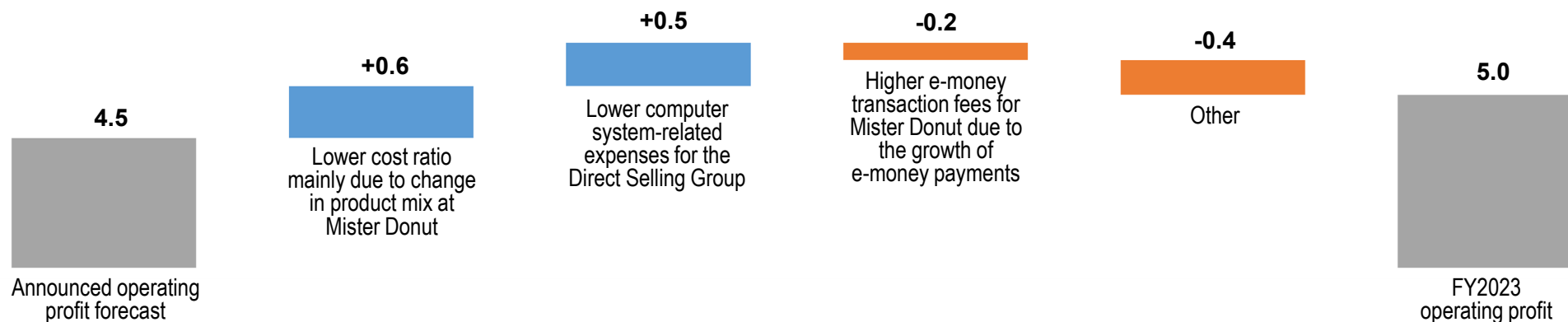
Results Versus Forecast

Millions of yen

		Forecast by segment announced on Nov. 8, 2023 [1]		FY2023 [2]		
		Profit margin		Profit margin		Vs. forecast [2] - [1]
						Percentage change
Direct Selling Group	Net sales	109,200	—	107,464	—	-1,735 -1.6%
	Operating profit	4,100	3.8%	4,142	3.9%	+42 +1.0%
Food Group	Net sales	56,700	—	58,437	—	+1,737 +3.1%
	Operating profit	6,300	11.1%	6,916	11.8%	+616 +9.8%
Other Businesses	Net sales	15,300	—	15,646	—	+346 +2.3%
	Operating profit	600	3.9%	440	2.8%	-159 -26.6%
Intersegment elm. and corporate exp.	Net sales	-2,500	—	-2,766	—	-266 —
	Operating profit	-6,500	—	-6,415	—	+84 —
Consolidated	Net sales	178,700	—	178,782	—	+82 +0.0%
	Operating profit	4,500	2.5%	5,084	2.8%	+584 +13.0%

Factors affecting the change in consolidated operating profit from the forecast

Billions of yen



Consolidated Balance Sheet Summary

Millions of yen

	As of Mar. 31, 2023	As of Mar. 31, 2024	YoY change
Cash and deposits	18,207	14,434	-3,772
Trade receivables	11,553	11,158	-395
Inventories	11,132	11,607	+475
Securities	19,864	12,200	-7,663
Other	8,364	9,903	+1,539
Total current assets	69,122	59,305	-9,817
Property, plant and equipment	49,076	50,489	+1,412
Intangible assets	7,454	7,414	-39
Investment securities	61,743	73,862	+12,119
Other	10,127	11,008	+880
Investments and other assets	71,871	84,870	+12,999
Total non-current assets	128,402	142,774	+14,372
Total assets	197,524	202,079	+4,555
Trade payables	7,594	7,800	+206
Other	29,238	28,978	-259
Total current liabilities	36,832	36,778	-53
Long-term borrowings	1,115	747	-368
Other	7,802	10,099	+2,297
Total non-current liabilities	8,917	10,847	+1,929
Total liabilities	45,750	47,626	+1,875
Share capital	11,352	11,352	± 0
Retained earnings	124,943	122,518	-2,425
Treasury shares	-7,102	-5,464	+1,638
Valuation difference on AFS securities	8,532	11,342	+2,809
Other	14,048	14,704	+656
Total net assets	151,774	154,453	+2,679
Total liabilities and net assets	197,524	202,079	+4,555
Interest-bearing debt	1,115	916	-199

Current assets

Securities decreased, mainly due to redemption of bonds.

Non-current assets

Investment securities increased, mainly due to acquisition of shares of JP-Holdings, Inc.

Current liabilities

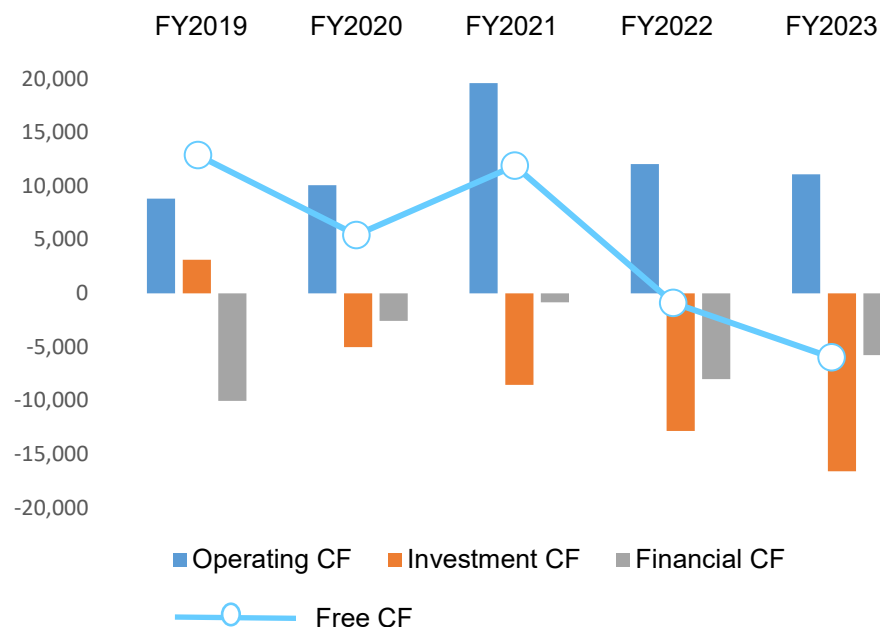
Deferred tax liabilities increased due to increase in market value of shares held.

Net assets

- Valuation difference on available-for-sale securities increased due to increase in market value of shares held.
- 527,000 shares (1,696 million yen) repurchased. (995,000 shares were cancelled on March 29, 2024.)

Consolidated Cash Flow Summary

Millions of yen



Operating CF:

Decreased due to an increase in RFID tag installation costs and expenses incurred from the introduction of the qualified invoice system.

Investment CF:

Expenditures increased due to such factors as the acquisition of shares of JP-Holdings, Inc.

Financial CF:

The amount of stock repurchases decreased.

FY2022: 3,303 million yen

FY2023: 1,696 million yen

Millions of yen

	FY2019	FY2020	FY2021	FY2022	FY2023	YoY change
Operating CF	8,850	10,103	19,596	12,061	11,093	-968
Investment CF	3,137	-5,019	-8,524	-12,844	-16,604	-3,760
Free CF	11,988	5,083	11,071	-782	-5,510	-4,728
Financial CF	-10,022	-2,563	-835	-7,992	-5,743	+2,248
Cash and cash equivalents at end of year	27,167	29,674	39,963	31,275	20,024	-11,250

Millions of yen

	FY2022 [1]		Forecast announced on Nov. 8, 2023 [2]		FY2023 [3]		FY2023 [3]			
	Profit margin		Profit margin		Profit margin		Vs. prior year [3] - [1]		Vs. forecast [3] - [2]	
							Percentage change		Percentage change	
Net sales	108,469	–	109,200	–	107,464	–	-1,004	-0.9%	-1,735	-1.6%
Operating profit	8,114	7.5%	4,100	3.8%	4,142	3.9%	-3,971	-48.9%	+42	+1.0%

Net sales (vs. prior year)

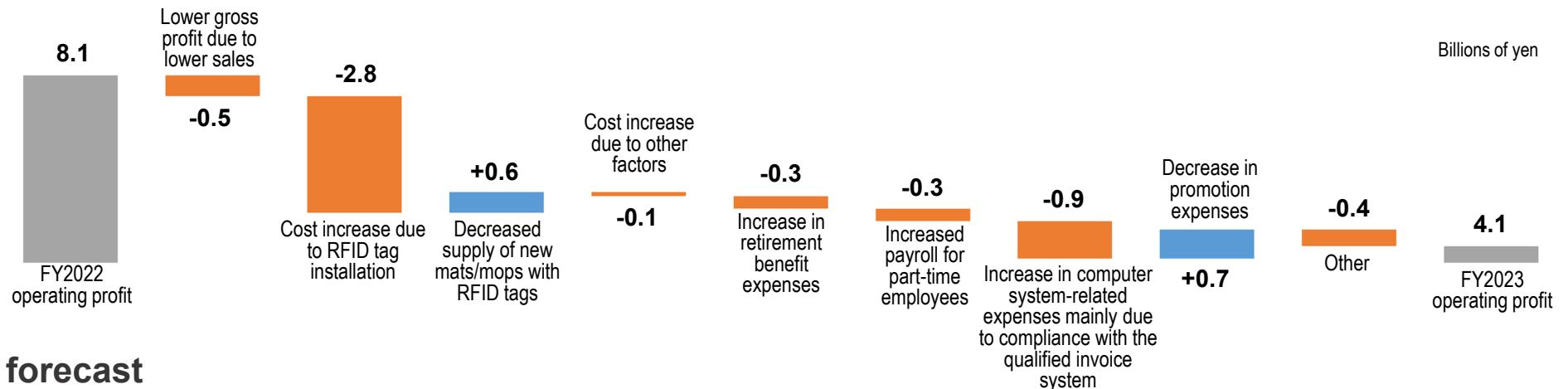
- In the mainstay Clean Service business, sales declined in both the residential and commercial markets.
 - The number of customers began to increase at our company-owned sales offices and affiliated companies, thanks to the efforts of the sales teams dedicated to sales visits to households.
 - The number of orders received increased through digital channels, including website.
- Customer-level sales of Care Service increased, with air conditioner cleaning business performing well.
- Sales of Rent-All declined due to a decrease in orders for hygiene services at coronavirus vaccination sites.
 - Number of events is returning to pre-pandemic levels.
 - Services for municipalities to set up a system to provide necessary supplies and equipment in the event of a disaster also performed well.

Net sales (vs. forecast)

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

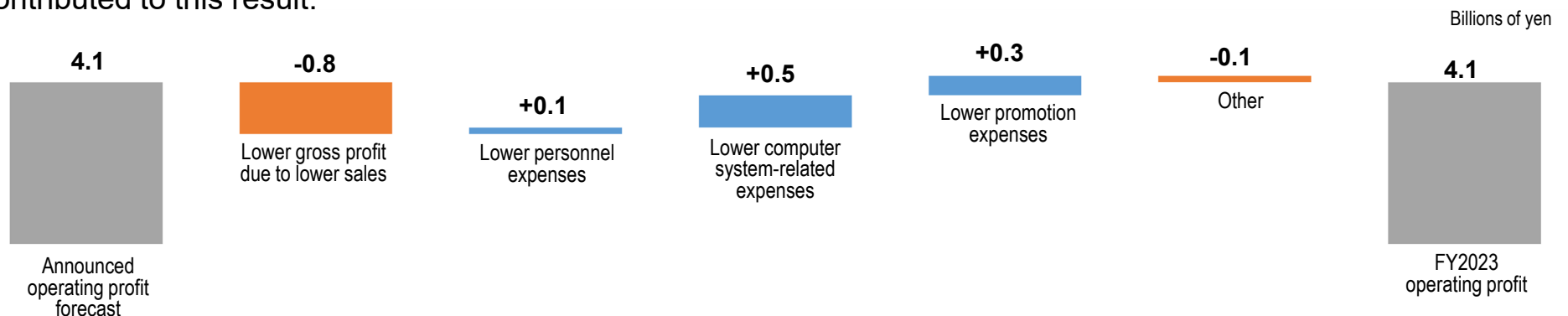
Vs. prior year

Operating profit decreased from the previous year, mainly due to an increase in RFID tag installation costs and computer system-related expenses incurred from the introduction of the qualified invoice system. Advertising and other sales promotion expenses decreased. (In the previous year, the Group had posted advertising expenses to publicize the price revision.)



Vs. forecast

The results were in line with the forecast. Although gross profit was down due to lower sales, cost reductions contributed to this result.



Millions of yen

	FY2022 [1]		Forecast announced on Nov. 8, 2023 [2]		FY2023 [3]		FY2023 [3]			
	Profit margin		Profit margin		Profit margin		Vs. prior year [3] - [1]		Vs. forecast [3] - [2]	
							Percentage change		Percentage change	
Net sales	48,879	–	56,700	–	58,437	–	+9,557	+19.6%	+1,737	+3.1%
Operating profit	5,473	11.2%	6,300	11.1%	6,916	11.8%	+1,443	+26.4%	+616	+9.8%

Vs. prior year

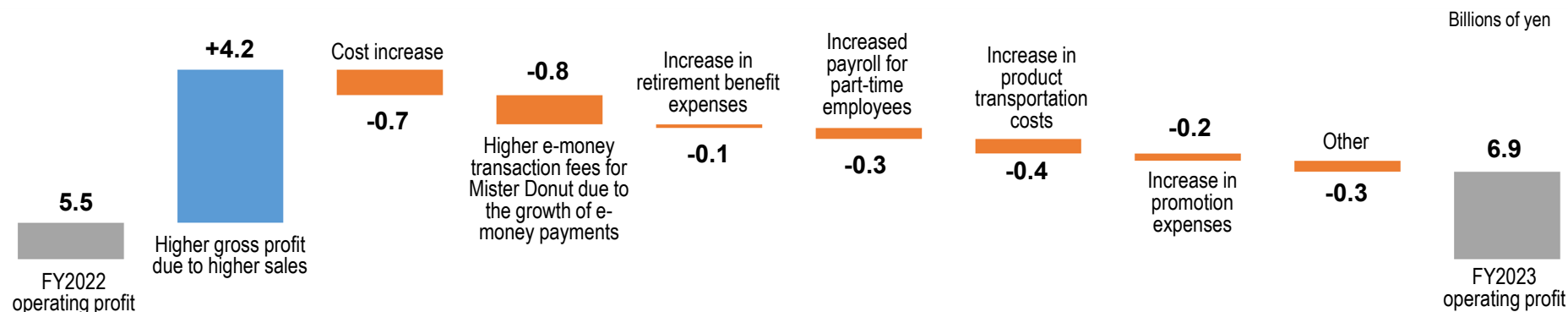
- The core business, Mister Donut, continued to perform well.
 - Customer-level sales (total of all shops) +18.3%, sales per customer +6.1%, number of customers +11.9%
- The number of shops in operation during the last month of the fiscal year increased by 19 year-on-year. As a result, the total number of shops in operation for the year, calculated simply by adding the number of shops in operation each day for the year, also increased.
 - Number of shops in operation – Increased from 998 in March 2023 to 1,017 in March 2024
 - Total number of shops in operation during the year: Up 2.4%
- Sales of anniversary products, including the White Pon De Ring for the 20th anniversary of the Pon De Ring, contributed to the increase in sales.

Net sales (vs. forecast)

In-store dining sales exceeded the forecast, mainly due to the favorable impact of the transition of the coronavirus infection to a Category V infection.

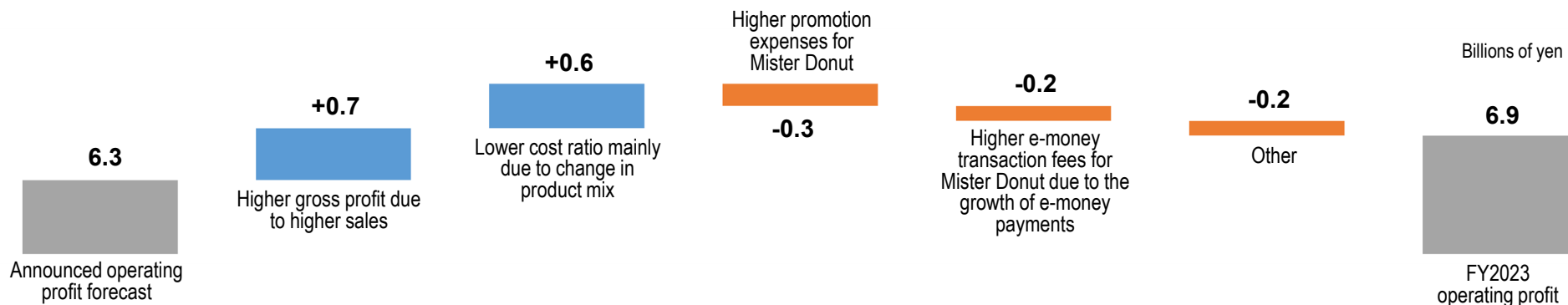
Vs. prior year

While gross profit increased significantly due to higher sales, the cost-of-sales ratio worsened due to an increase in the sales mix of high-cost products and an increase in the disposal of food ingredients. Advertising and other sales promotion expenses increased due to the beverage price revision.



Vs. forecast

Originally unscheduled advertising to announce the beverage price revision increased advertising costs.



Millions of yen

	FY2022 [1]		Forecast announced on Nov. 8, 2023 [2]		FY2023 [3]		FY2023 [3]		FY2023 [3]	
	Profit margin		Profit margin		Profit margin		Vs. prior year [3] - [1]		Vs. forecast [3] - [2]	
							Percentage change		Percentage change	
Net sales	16,229	–	15,300	–	15,646	–	-583	-3.6%	+346	+2.3%
Operating profit	702	4.3%	600	3.9%	440	2.8%	-262	-37.3%	-159	-26.6%

Net sales / operating profit (vs. prior year)

- Duskin Healthcare and Duskin Kyoeki posted higher sales but lower profits. Overseas business recorded declines in both sales and profit.
 - The Malaysia-based Big Apple Group saw a decline in customer traffic due to changes in customer behavior that occurred as the COVID-19 pandemic subsided.
 - Duskin Healthcare and Duskin Kyoeki reported lower profits due to higher cost of sales. For the former, higher labor costs led to an increase in cost of sales, while for the latter, the conversion of some vehicles for lease from sublease to direct lease led to an increase in cost of sales.

Net sales / operating profit (vs. forecast)

Profits were less than projected, mainly due to higher-than-expected cost of sales at Duskin Healthcare and Duskin Kyoeki.

FY2024 Forecast (vs. FY2023)

Millions of yen

		FY2024 (Forecast)											
		1H			2H			Full Year			YoY change		
			Profit margin		Profit margin		Profit margin	1H	2H	Full Year	Percentage change	Percentage change	Percentage change
Direct Selling Group	Net sales	54,100	–	55,900	–	110,000	–	+665	+1.2%	+1,869	+3.5%	+2,535	+2.4%
	Operating profit	5,500	10.2%	5,300	9.5%	10,800	9.8%	+2,879	+109.9%	+3,778	+248.3%	+6,657	+160.7%
Food Group	Net sales	29,200	–	36,500	–	65,700	–	+3,255	+12.5%	+4,007	+12.3%	+7,262	+12.4%
	Operating profit	2,900	9.9%	4,100	11.2%	7,000	10.7%	-209	-6.7%	+292	+7.7%	+83	+1.2%
Other Businesses	Net sales	8,000	–	8,100	–	16,100	–	+200	+2.6%	+253	+3.2%	+453	+2.9%
	Operating profit	300	3.8%	300	3.7%	600	3.7%	+56	+23.2%	+103	+52.4%	+159	+36.2%
Intersegment elm. and corporate exp.	Net sales	-1,400	–	-1,400	–	-2,800	–	-42	–	+8	–	-33	–
	Operating profit	-3,300	–	-4,400	–	-7,700	–	-274	–	-1,010	–	-1,284	–
Consolidated	Net sales	89,900	–	99,100	–	189,000	–	+4,078	+4.8%	+6,138	+6.6%	+10,217	+5.7%
	Operating profit	5,400	6.0%	5,300	5.3%	10,700	5.7%	+2,452	+83.2%	+3,163	+148.1%	+5,615	+110.5%
Consolidated ordinary profit		7,000	7.8%	7,100	7.2%	14,100	7.5%	+2,895	+70.6%	+3,340	+88.9%	+6,236	+79.3%
Profit attributable to owners of parent		4,900	5.5%	5,100	5.1%	10,000	5.3%	+2,251	+85.0%	+3,174	+164.9%	+5,425	+118.6%

Direct Selling Group

The Group is projecting a significant increase in profits. The main factors are higher sales from commercial and residential customers of Clean Service, higher gross profit based on the sales growth plan and lower RFID tag installation costs.

Food Group

The Group projects Mister Donut to continue to increase sales and profits in FY2024. The Kenko Saien Group, which became a subsidiary in FY2023, is expected to make a full-year contribution to the Group's performance.

Other Businesses

Both overseas businesses and domestic subsidiaries plan to increase sales and profits.

Intersegment eliminations and corporate expenses

Expenses are expected to increase, including those for the company's 60th anniversary, branding measures and data center migration.

Non-operating income/loss

We expect an increase in share of profit of entities accounted for using the equity method, including those from JP-Holdings, Inc. which became an equity-method affiliate in FY2023.

Returns to Shareholders

Shareholder Return Policy during the Medium-Term Management Policy 2022 Period

- In addition to the payment of dividends, we will actively repurchase company shares in a timely and flexible manner. Our policy is to provide a profit return targeting a cumulative three-year total return ratio of 100% or higher.
- Our basic policy for shareholder return is to distribute profits in line with business performance while taking financial soundness into full consideration. The annual dividend payout is based on a consolidated dividend payout ratio of 60% or a dividend on equity (DOE) of 2.5%, whichever amount is higher.

		FY2022	FY2023	2-year total	FY2024 projections	Millions of yen Medium-term Management Policy period total
	Ordinary dividend	4,350 (88 yen per share)	3,874 (80 yen per share)	8,225	6,101 (126 yen per share)	14,327
	Commemorative dividend	—	968 (20 yen per share) *1	968	—	968
Annual dividend amount		4,350 (88 yen per share)	4,842 (100 yen per share)	9,193	6,101 (126 yen per share)	15,295
Share repurchase		3,303 (Number of shares repurchased: 1,094,000 shares)	1,696 (Number of shares repurchased: 527,000 shares)	4,999	1,475	6,475
Total shareholder return		7,654	6,538	14,193	7,577	21,771
Payout ratio		60.2%	105.3%	78.1%	60.6%	70.3%
Total return ratio		106.4%	143.0%	120.6%	75.8%	100.0%
DOE		2.87%	3.17% *2		3.96%	

*1: 60th anniversary commemorative dividend

*2: DOE (ordinary dividend only) \cong 2.54%

Notes:

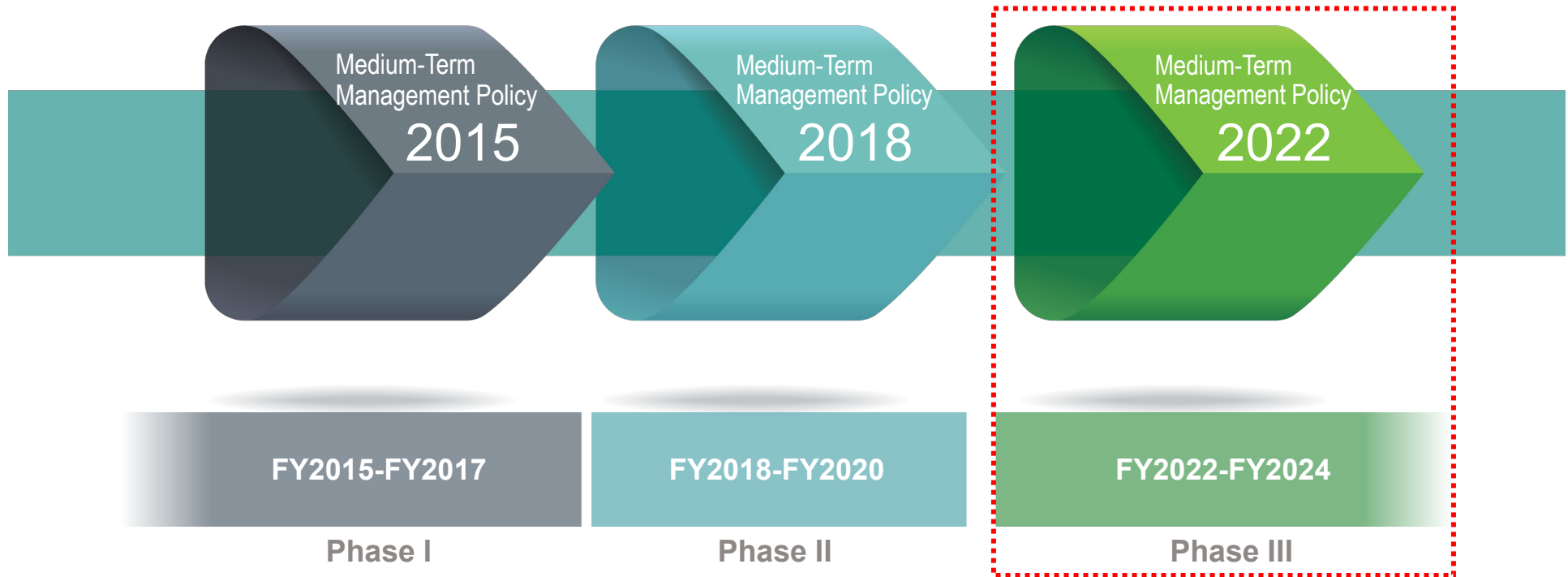
- Dividend payout ratio is calculated on a per-share basis, and total return ratio is calculated on a gross basis.
- The forecast for FY2024 is an estimate based on a target total return ratio of 100% during the current Medium-Term Management Policy period, and is not a commitment to be executed at this time.

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 Initiatives

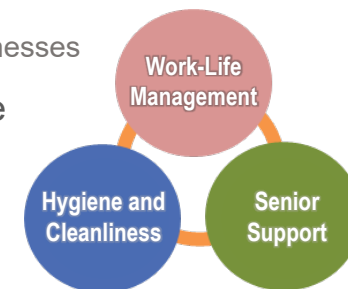
Medium-Term Management Policy 2022 Initiatives: Direct Selling Group



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, the Direct Selling Group is focusing on the three domains: hygiene and cleanliness, work-life management and senior support. The group will pursue five strategies to deepen and expand its businesses in each of these domains.

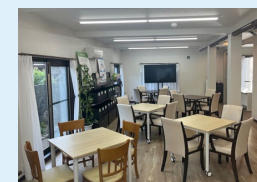


Product/Service Development Strategies

1. We have formally decided to develop Duskin Rescue as a new business.
2. We began rental of a new cleaning mop set for households with pets and started selling a deodorizing cleaning spray for dogs and cats both nationwide on March 18, 2024.
3. An increasing number of municipalities are signing up for our service to set up a system to provide necessary supplies and equipment in the event of a disaster.
 FY2022: Signed with 43 municipalities
 FY2023: Increased to 75 municipalities (Up 74.4% YoY)
 Products offered include partitions, foam hand sanitizers, mats and air purifiers.
4. Iki-iki Life Service Plaza (Adult daycare center)
 Duskin has been commissioned by Wako City in Saitama Prefecture to operate an adult daycare center focused on preventing the elderly in the community from becoming frailty. Currently, we are entrusted with five projects by the city.

暮らしの安心駆けつけ

DUSKIN RESCUE



Iki-iki Life Service Plaza

Note: The above figures are as of March 31, 2024.

Medium-Term Management Policy 2022 Initiatives: Direct Selling Group



Theme 1 Reforming our business portfolios

- Reforming and expanding existing businesses

Our immediate goal is to create new customer touchpoints through information and distribution reforms. We will also work to improve customer retention.

Organizational Strategies

- Clean Service sales teams specializing in paying sales visits to residential customers introduced to franchisees.
Already introduced at 123 franchisees.
- Number of new contracts signed by such sales teams
Approx. 30,000 (Up 80.7% YoY)



Sales team leader



Sales team staff

Location Strategies

- Care Service (5 businesses)
98 new sales locations opened
- Senior Care
11 new sales locations opened



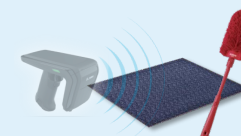
CX Strategies

- Reinforcement of web advertising
The number of applications for trial use of rental products increased 3% YoY.
- Increase in the number of DDuet members
Up 12% YoY to approx. 1.7 million members



Distribution Strategies

- Introduction of RFID tags for greater efficiency
Installation of RFID tags on all mats and mops distributed is largely completed.



Medium-Term Management Policy 2022 Initiatives: 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 tastiness and enjoyment to customers.

New Business Model Development

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

Acquired shares of Kenko Saien Co., Ltd. and made it a subsidiary. Through this acquisition, Duskin acquired the restaurant business, including the Italian restaurant Napoli No Shokutaku, operated by Kenko Saien's subsidiary Boston House Co., Ltd.



Strengthening of the Current Value Chain

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

The establishment of an in-house manufacturing plant is being considered. This plant will utilize the knowledge of Ever Fresh Hakodate, a consolidated subsidiary.



Merchandising

Create new products and sales opportunities leveraging the brand.

Expand customer touchpoints by creating new sales opportunities and channels through existing brands.



Medium-Term Management Policy 2022 Initiatives: Food Group



Theme 1 Reforming our business portfolios

- Reforming and expanding existing businesses

Our current objective is to expand sales opportunities through information and distribution reforms.

Product/Service Development Strategies

Mister Donut



White Pon De Ring, a product commemorating the 20th anniversary of Pon De Ring with a novel look and texture, was launched in FY2023.



MISDO Meets GODIVA Premium Chocolate Collection, jointly developed with the premium Belgian chocolate brand GODIVA, was launched in FY2023.

Katsu & Katsu



A series of seasonal set menus were offered, including the autumn set menu featuring fresh-from-oven, crispy fried oysters made from large, plump oysters from Hiroshima.

Shop Opening Strategies

- New shops opened in FY2023: 39
- Number of operating shops nationwide: 1,017
Of which, drive-through shops: 7 (Up 19 shops YoY)
- Number of shops renovated in FY2023: 103



CX Strategies

- Mister Donut renewed its official smartphone application.



- Number of shops offering delivery services*: 646 (Up 286 from the year before)

*This refers to the number of shops that have contracted with delivery service providers.



Note: The above figures are as of March 31, 2024, except for the number of Mister Donut shops in operation, which represents those in operation as of the last month of the fiscal year.

Medium-Term Management Policy 2022 Initiatives



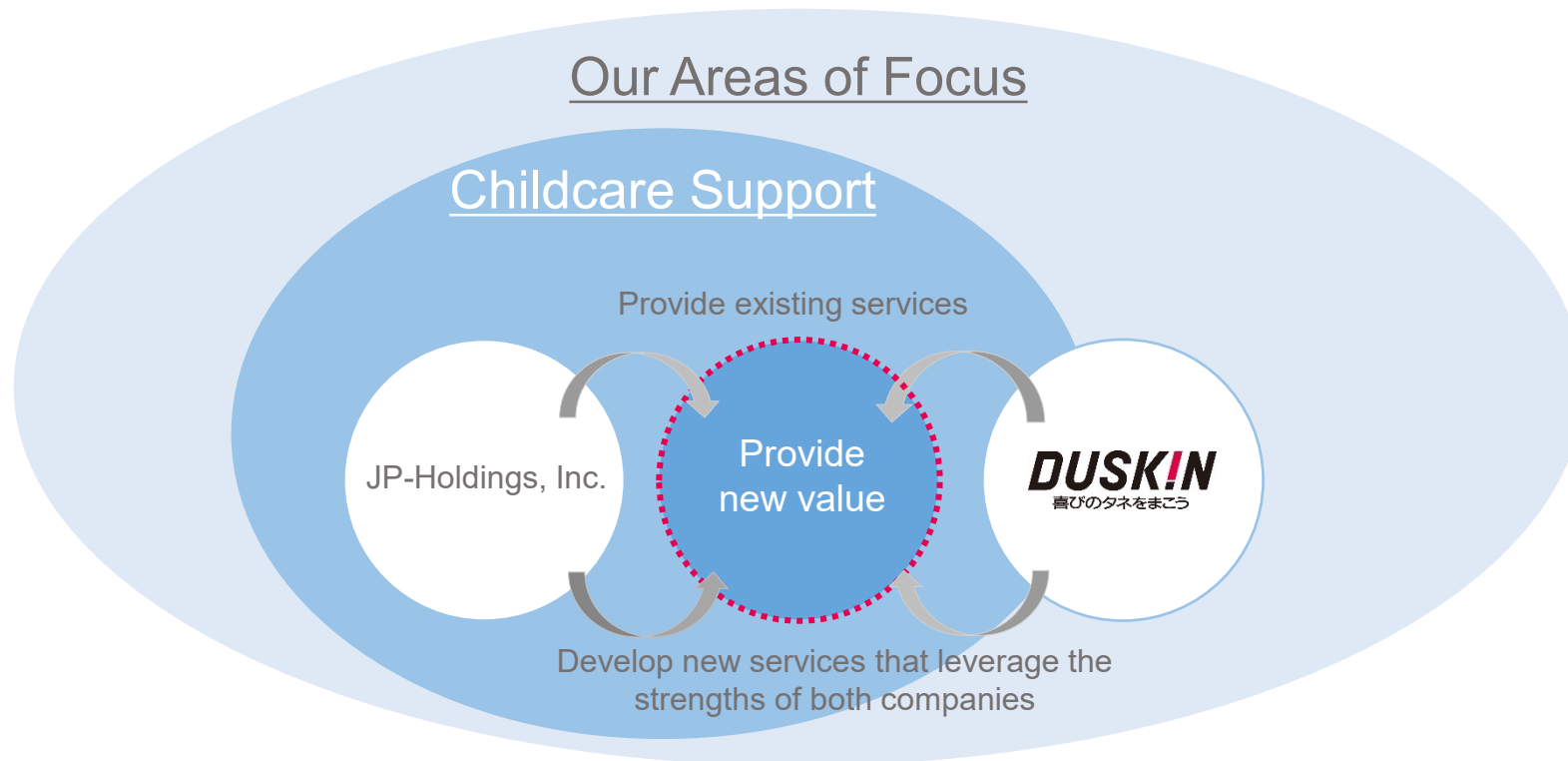
Theme 1 Reforming our business portfolios

● Investment in new growth opportunities

We will create social value by doing our part to solve the social issues that need to be addressed in the future.

Invest actively through M&A, venture investments, R&D investments and industry-academia collaborations.

- ▶ Invested in and signed a business alliance agreement with JP-Holdings, Inc., a leading childcare support company that operates more than 300 childcare facilities (daycare, after-school clubs and children’s clubs) mainly in the Tokyo and Kanto area.



Medium-Term Management Policy 2022 Initiatives



Theme 1 Reforming our business portfolios

● Investment in new growth opportunities

Overseas Strategy

- ▶ R E & S Enterprises Pte Ltd, with whom we concluded a master franchise agreement for the Mister Donut business, opened two Mister Donut shops in Singapore.



First Mister Donut shop in Singapore



Second Mister Donut shop in Singapore



- ▶ Concluded a master franchise agreement to develop the Mister Donut business in the Hong Kong Special Administrative Region of the People's Republic of China.
- ▶ Introduced a household cleaning service in Taipei, Taiwan, as a service to help consumers achieve an even more pleasant lifestyle.



Signing the household cleaning service agreement



Training in Taiwan

Medium-Term Management Policy 2022 Initiatives



Theme 2 Establishing a solid foundation

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

Human Capital Management

- ▶ In response to recent technological and social changes, we have introduced an educational tool that allows employees to autonomously learn necessary skills. Approximately 460 employees have used this tool, and the number of learning hours has reached 4,300.
- ▶ Implemented personality test and growth measurement test to help employees increase their self-understanding.
- ▶ We have decided to introduce a tool to centrally manage employee skills and abilities in order to efficiently place the right person in the right job and to promote human resource development.



Focusing on Core Competencies

- ▶ Decided to dissolve EDIST Co., Ltd.

Medium-Term Management Policy 2022 Initiatives



Theme 3 Coexistence with local communities

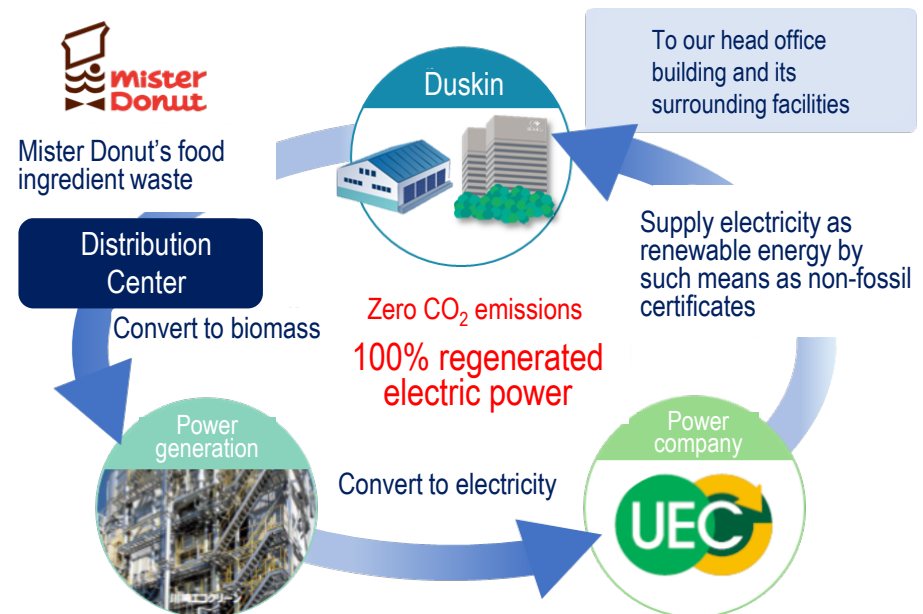
- Contributing to the creation of a sustainable society and strengthening our corporate governance geared to the needs of society

For Environmental Conservation

- ▶ Pursue the Duskin Green Target 2030 goals.
- ▶ Conduct practical tests to convert Direct Selling Group sales vehicles to EVs.
- ▶ Expand the number of shops that can adopt a system to recycle waste donuts as animal feed.

Food Recycling + Renewable Energy

- ▶ Create a loop to recycle a portion of Mister Donut's food ingredient waste into an energy source.



Appendix

Duskin Co., Ltd. (Parent Company Only) Financial Summary

Millions of yen

	FY2022 [1]		FY2023 [2]		YoY change [2]- [1]	
	Profit margin		Profit margin		Percentage change	
Net sales	138,560	—	146,518	—	+7,957	+5.7%
Operating profit	5,752	4.2%	2,718	1.9%	-3,033	-52.7%
Ordinary profit	10,125	7.3%	7,270	5.0%	-2,855	-28.2%
Net profit	6,944	5.0%	4,973	3.4%	-1,971	-28.4%

Customer-Level Sales

Millions of yen

	FY2022	FY2023		
			YoY change	Percentage change
Direct Selling Group	270,081	267,783	-2,297	-0.9%
Total Clean Service	173,558	169,828	-3,729	-2.1%
Clean Service (residential customer)	81,731	79,360	-2,371	-2.9%
Clean Service (commercial customer)	91,826	90,467	-1,358	-1.5%
Total Care Service	56,831	58,738	+1,906	+3.4%
ServiceMaster	32,195	33,189	+993	+3.1%
Merry Maids	11,792	12,045	+253	+2.1%
Terminix	8,917	9,303	+385	+4.3%
Total Green	3,662	3,944	+282	+7.7%
Home Repair	263	255	-8	-3.0%
Rent-All	16,398	15,148	-1,249	-7.6%
Health Rent	13,365	14,094	+728	+5.5%
Uniform Service	2,863	3,060	+197	+6.9%
Azare Products	2,788	2,842	+53	+1.9%
Life Care	2,273	2,187	-85	-3.8%
Health & Beauty	2,002	1,883	-118	-5.9%
Food Group	107,388	126,729	+19,340	+18.0%
Mister Donut	105,570	124,848	+19,277	+18.3%
Katsu & Katsu	1,755	1,849	+93	+5.3%
Other food businesses	62	31	-30	-48.7%
Other Businesses	34,302	37,941	+3,638	+10.6%
Clean Service and Care Service (Overseas)	7,555	8,166	+610	+8.1%
Mister Donut (Overseas)	16,075	18,985	+2,910	+18.1%
Big Apple	2,001	1,904	-97	-4.9%
Duskin Healthcare	8,670	8,885	+215	+2.5%
Total	411,772	432,454	+20,681	+5.0%

- 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 Locations

	FY2022	FY2023	
			No. of locations YoY change
Direct Selling Group	5,728	5,749	+21
Clean Service	1,838	1,823	-15
ServiceMaster	1,183	1,194	+11
Merry Maids	790	798	+8
Terminix	553	555	+2
Total Green	166	176	+10
Home Repair	103	105	+2
Rent-All	102	102	+0
Health Rent	180	187	+7
Uniform Service	215	215	+0
Azare Products	43	43	+0
Life Care	96	95	-1
Health & Beauty	459	456	-3
Food Group	1,014	1,033	+19
Mister Donut	998	1,017	+19
Katsu & Katsu	15	16	+1
Other food businesses	1	0	-1
Other Businesses	11,474	11,611	+137
Clean Service and Care Service (Overseas)	25	25	+0
Mister Donut (Overseas)	11,362	11,494	+132
Big Apple	87	92	+5
Total	18,216	18,393	+177

- 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 number of sales locations represents those in operation as of the last business day of the fiscal year. However, starting from FY2023, the number of Mister Donut sales locations represents the number of shops in operation as of the last month of the fiscal year. (Accordingly, the number of locations for FY2022 has been revised from 993 to 998.)
 - The number of overseas sales locations is as of December 31. Sales locations for events and limited-time periods, which were included until FY2022, are excluded as of FY2023.

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

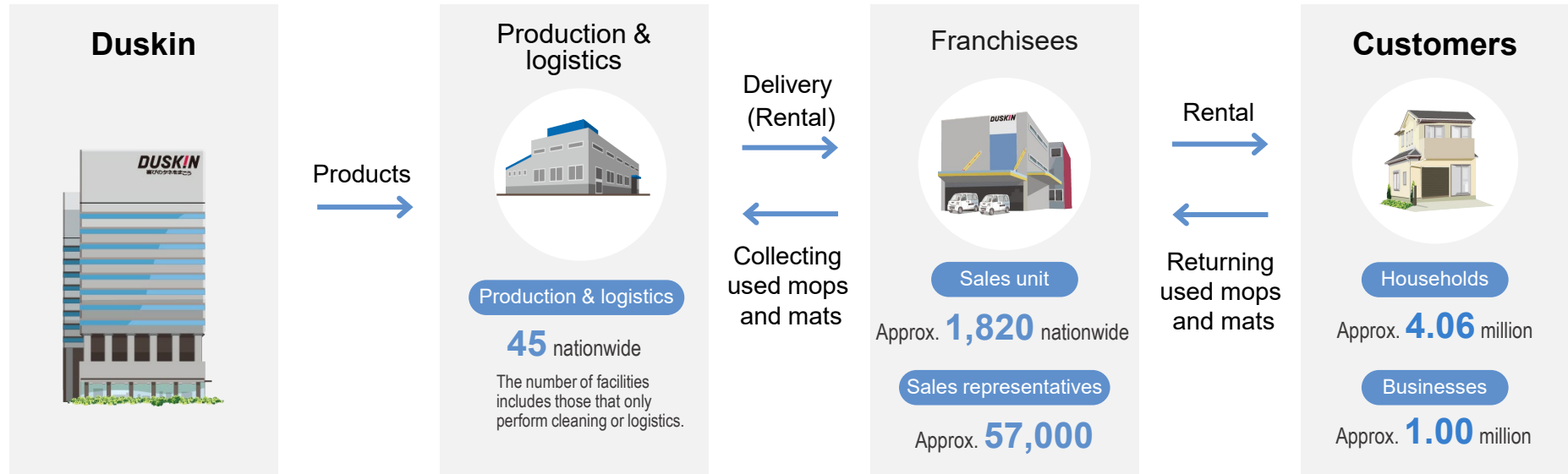
- **Mister Donut**
[Homemade donut shops]
- **MOSDO**
[Collaborated shops with MOS Burger]
- **Katsu & Katsu**
[Pork cutlet restaurants]
- **Napoli No Shokutaku**
[Italian restaurant]

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 (Liquidation in progress)

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.

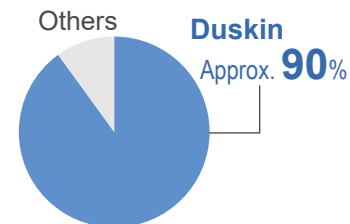


Our competitive advantages

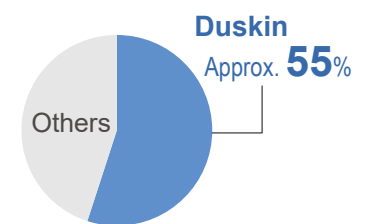
- 1 A solid customer basis
- 2 Franchise networks and product delivery systems rooted in the community
- 3 A reputation for trust and reliability built through our 55-plus-year history
- 4 Cross-selling opportunities available by way of a synergistic effect between the Direct Selling Group businesses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

Market share

Residential customer



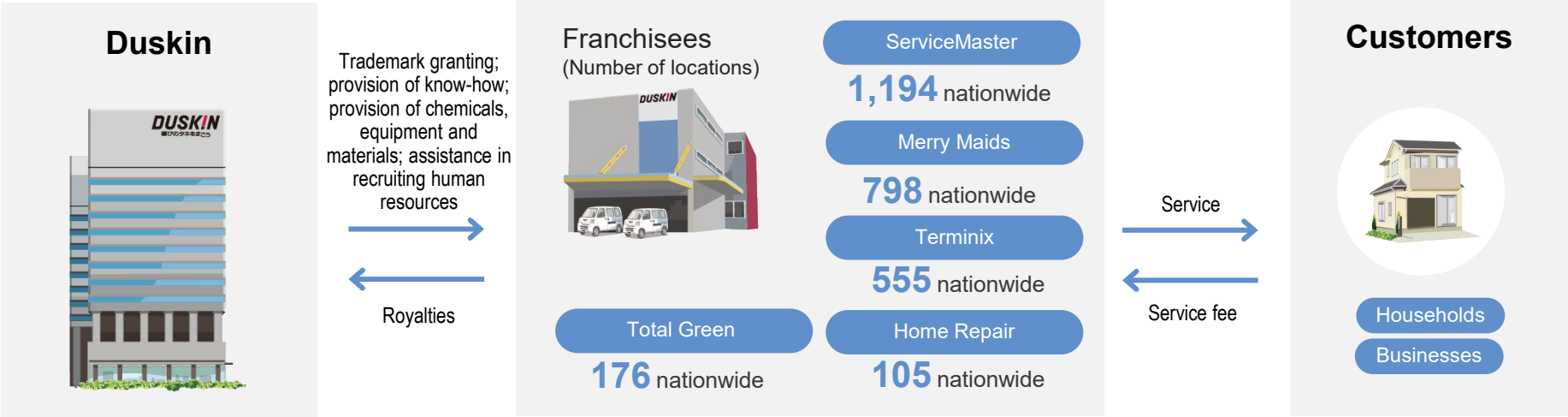
Commercial customer



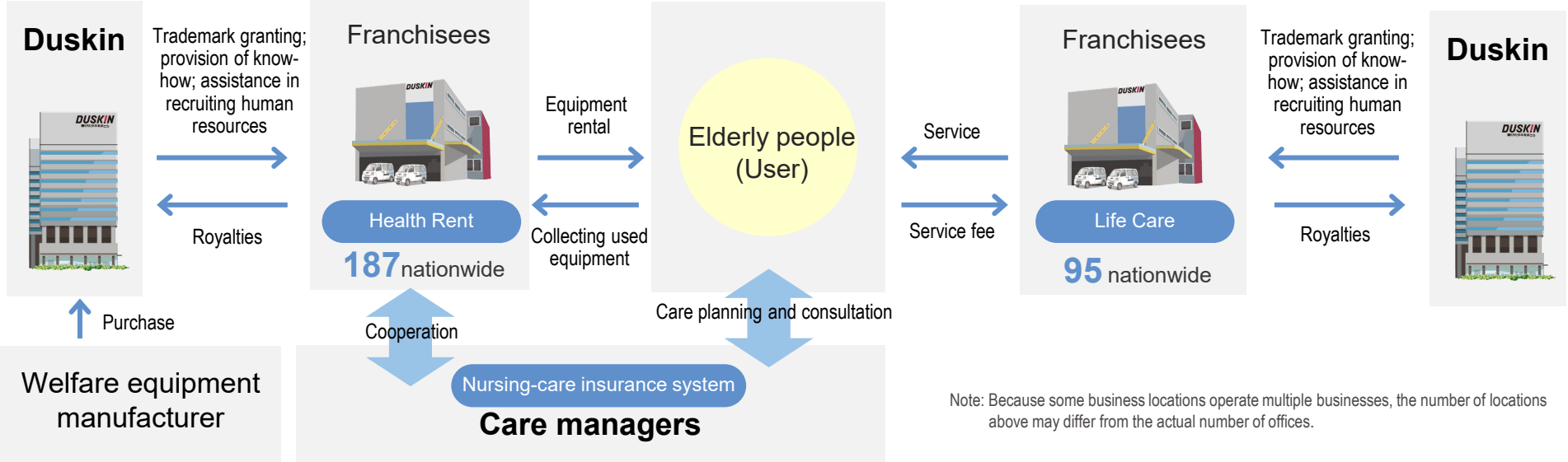
Source: Japan Dust Control Association data (assembled by Duskin)

Care Service and Senior Care Business Models

Care Service



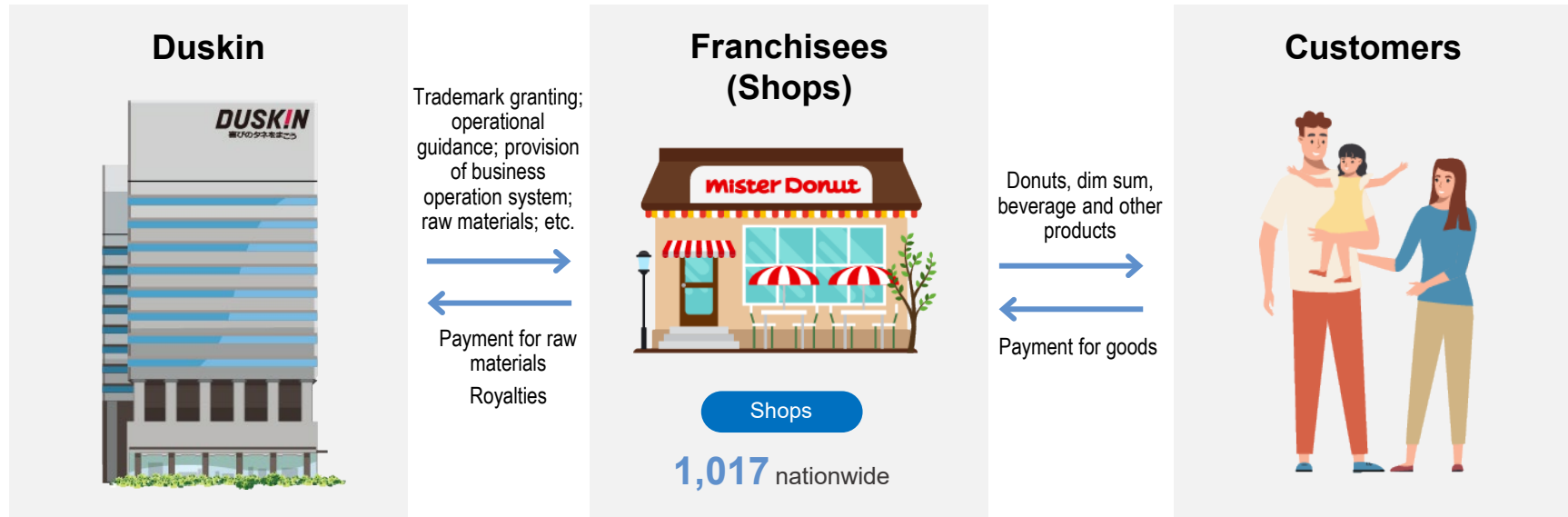
Senior Care



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

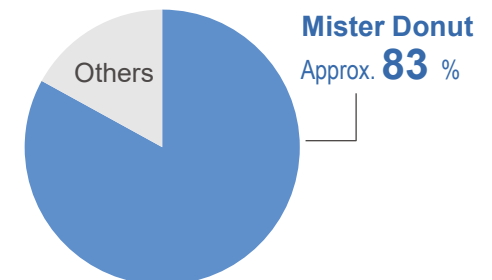
To realize our goal of creating shops where every customer happens upon “something good” at any time, we make the Mister Donut experience fun and our products always delicious.



Our competitive advantages

- 1 Over 1,000 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

Market share



Source: Calculated by Duskin

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



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.