

Financial Report

For the First Six-month Period
of the Fiscal Year Ending March 31, 2012

Duskin Co., Ltd.

November 18, 2011



■ These materials contain forward-looking statements concerning forecasts, goals, plans and strategies, and other matters related to the Company, including its consolidated subsidiaries.

■ These forward-looking statements are based on projections and assumptions made by Duskin Group in light of currently available information. Such statements are subject to the uncertainties inherent in projections and assumptions, and also to unforeseeable changes in future business operations resulting from both internal and external changes, which could cause actual results, performance and achievements to differ materially from those contained in these forward-looking statements.

■ As described in Note 2 of page 12 of the Summary of Consolidated Financial Results for the First Six Months of the Fiscal Year Ending March 31, 2012, the segment income adjustments include elimination for inter-segment sales and transfers, and corporate expenses and is indicated as “Elimination/Others” in this document.

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Financial Summary

Six-month Period Ended Sept. 30, 2011



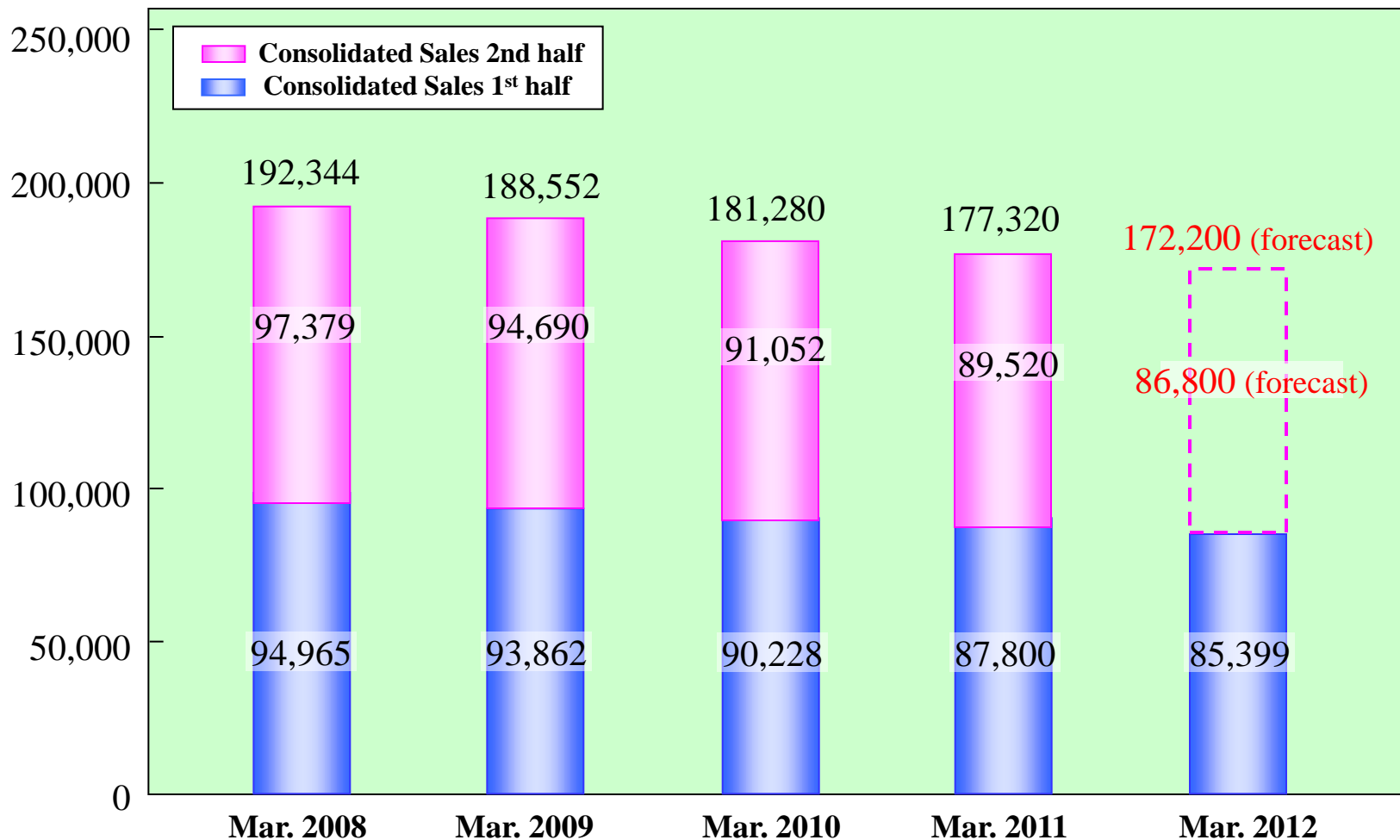
Consolidated Results

(in millions of yen)

	Six months ended Sept. 30, 2010	Six months ended Sept. 30, 2011	Change		Reference FY2010 ended Mar.31, 2011
			Amount	(%)	
Sales	87,800	85,399	- 2,400	- 2.7	177,320
Operating Income	5,155	4,238	- 917	- 17.8	10,937
Operating Income Margin (%)	5.9	5.0	- 0.9	—	6.2
Ordinary Income	6,036	5,332	- 703	- 11.7	12,613
Ordinary Income on Sales (%)	6.9	6.2	- 0.6	—	7.1
Net Income	2,624	2,866	241	9.2	5,248
Net Income on Sales (%)	3.0	3.4	0.4	—	3.0

Consolidated Sales

(in millions of yen)



■ Remarks on Consolidated Sales

Sales in all segments decreased due to the difficult business environment, including the downturn in consumer confidence.

Consolidated Sales

85,399 million yen

2,400 million yen decrease (2.7%) from the same period in the previous year

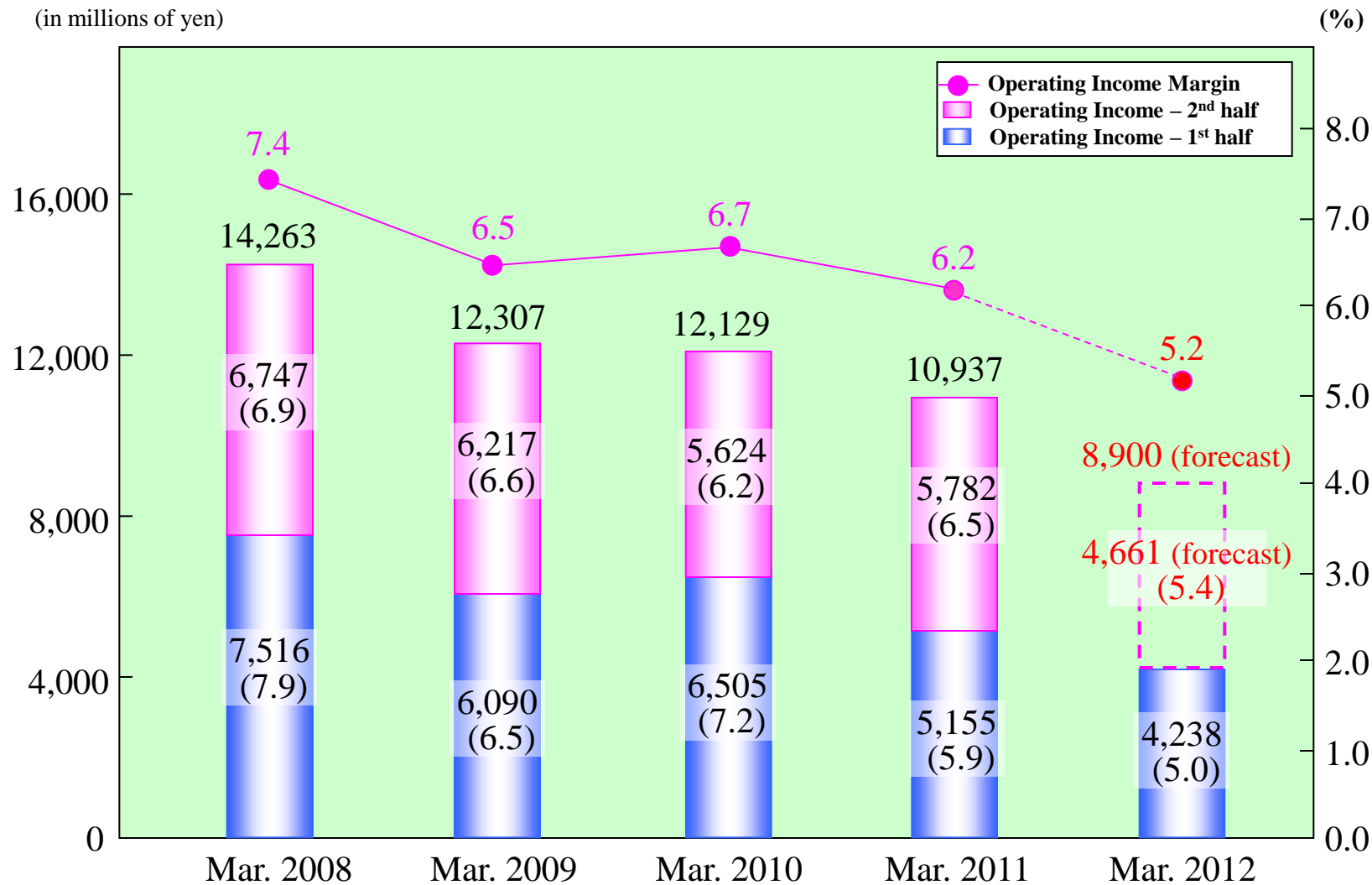
Consolidated sales by segment compared with the same period in the previous year

(in millions of yen)

	Sales	Change	
		Amount	%
Clean Group	57,317	-293	-0.5%
Food Group	22,970	-1,880	-7.6%
Others	5,111	-226	-4.2%

Consolidated Operating Income

(in millions of yen)



■ Remarks on Consolidated Operating Income

Consolidated Operating Income

4,238 million yen

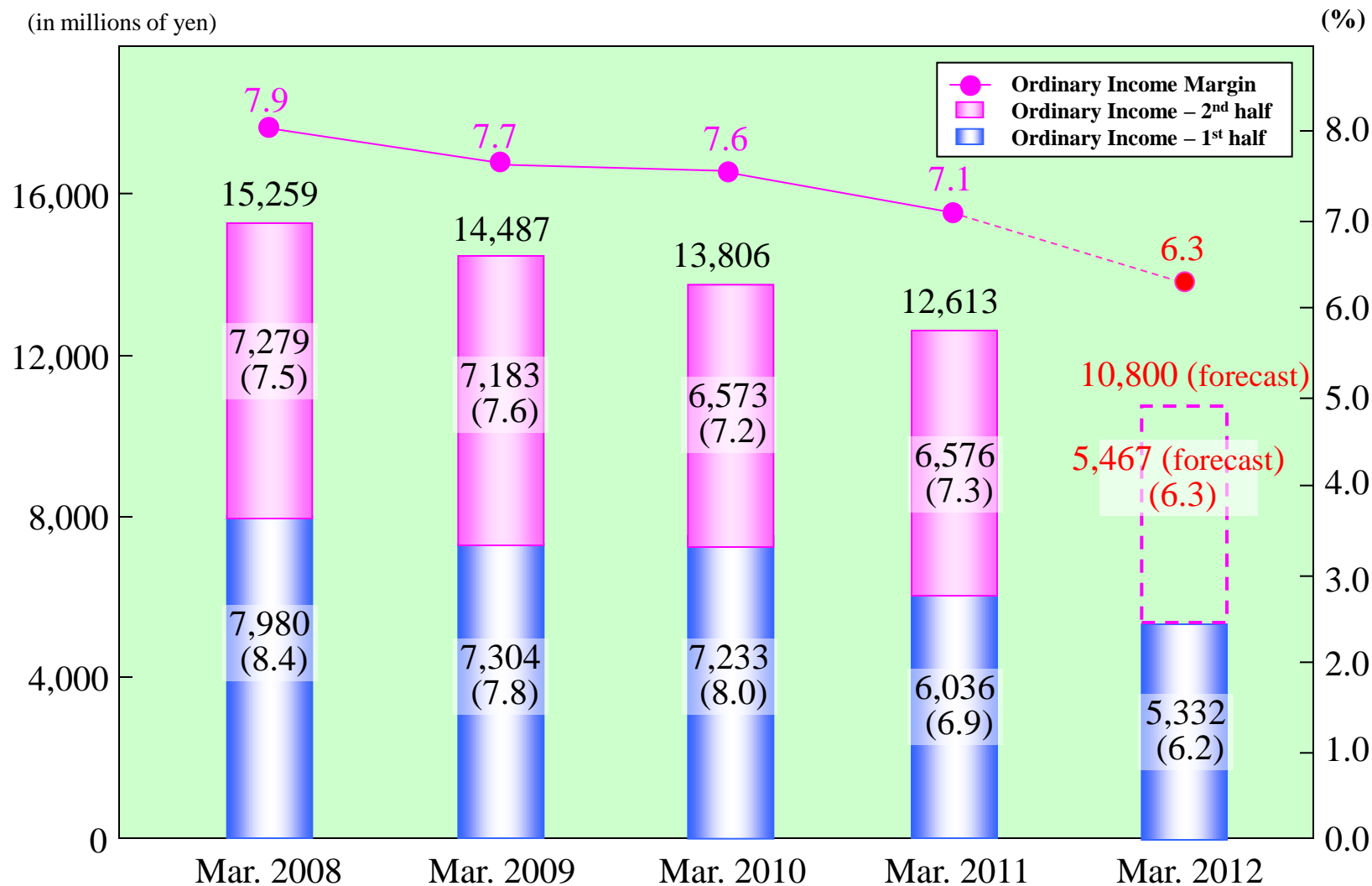
917million yen decrease (17.8%) from the same period in the previous year

Major factors contributing to increase and decrease

- | | |
|---|-------------------|
| 1. The negative effect on operating income from lower sales | 200 million yen |
| ▪ Effect of lower sales | |
| Decrease in gross profit | 1,100 million yen |
| Decrease in cost | 900 million yen |
| 2. The negative effect on operating income from the higher cost ratio | 700 million yen |
| ▪ Materials for new product, "LaLa" | 500 million yen |
| ▪ Increased Mister Donut cost ratio | 200 million yen |
| 3. No change in expense ratio | |

Consolidated Ordinary Income

(in millions of yen)



■ Remarks on Consolidated Ordinary Income

Consolidated Ordinary Income

5,332 million yen

703 million yen decrease (11.7%) from the same period in the previous year

Major factors contributing to increase and decrease

1. Decrease in operating income 900 million yen

2. Improved non-operating income/loss 200 million yen

- Improved financial income and expenditure 100 million yen
- Others 100 million yen

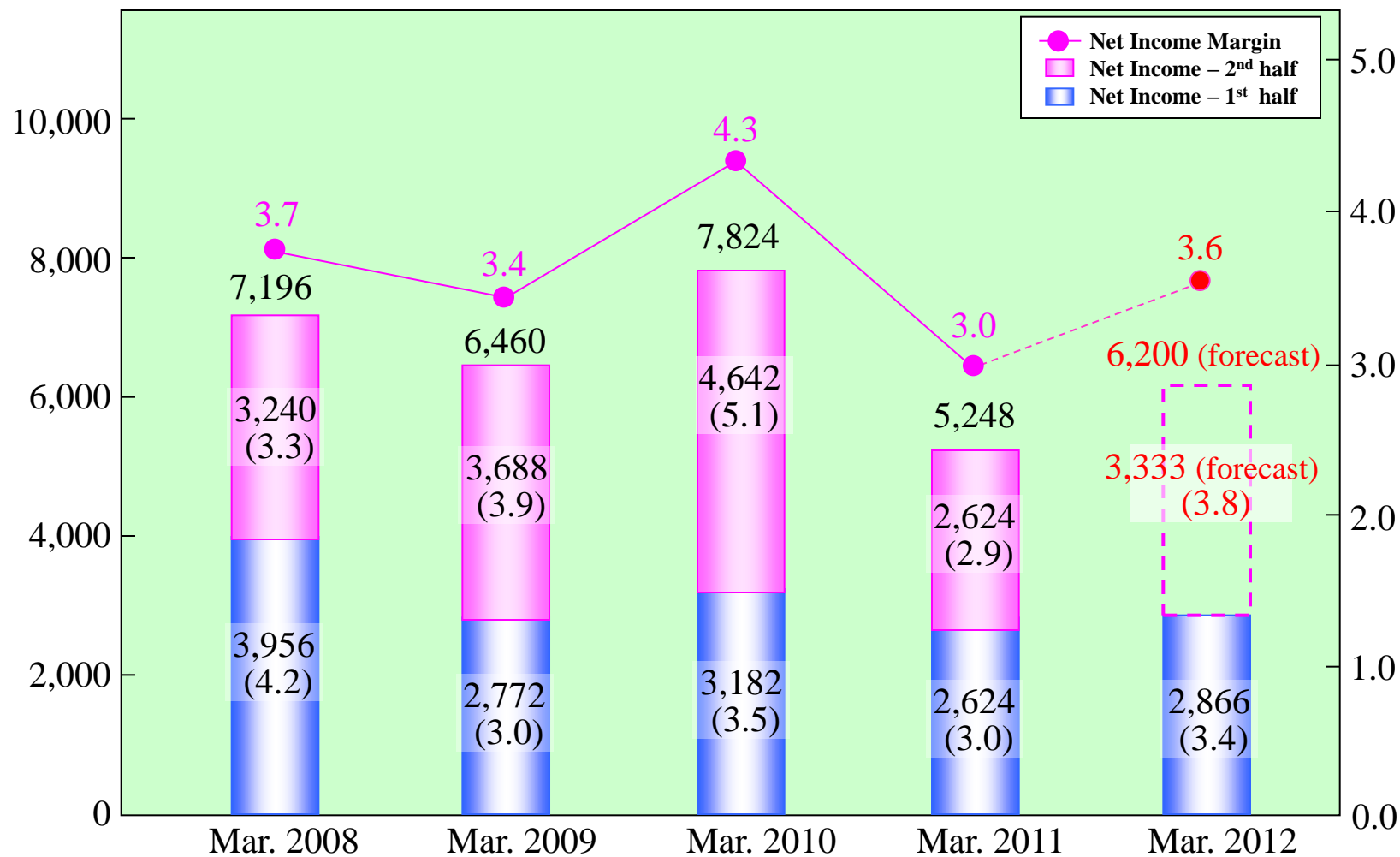
(in millions of yen)

	Previous term	Current term	Change
Non-operating income	1,086	1,250	163
Non-operating loss	205	156	-49
Non-operating income/loss	880	1,094	213

Consolidated Net Income Summary

(in millions of yen)

(%)



■ Remarks on Consolidated Net Income

Consolidated Net Income

2,866 million yen

241 million yen increase (9.2%) from the same period in the previous year

Major factors contributing to increase and decrease

1. Increase in net income before tax	500 million yen
▪ Decrease in ordinary income	700 million yen
▪ Improved extraordinary loss and income	1,200 million yen
(Major factors contributing to increase)	
Decrease in loss on valuation of investment securities	(800 million yen)
Decrease in extraordinary loss, resulting from adoption of Accounting Standard for Asset Retirement Obligations	(500 million yen)
Gain on sales of investment securities	(100 million yen)
Others	(100 million yen)
(Major factor contributing to decrease)	
Loss incurred from disaster	(300 million yen)
2. Increase in tax expenses	300 million yen
▪ Increase in income tax due to the increase in net income before tax	300 million yen

(in millions of yen)

	Fiscal Year ended Mar. 31, 2011	Six-months ended Sept. 30, 2011	Change	Factors for Change
Current assets	60,364	57,012	- 3,351	Decrease in cash and deposits 2,800 million yen Decrease in notes and accounts receivable-trade 1,200 million yen Increase of marketable securities 400 million yen Increase of merchandise and finished goods 700 million yen Decrease in deferred tax assets 400 million yen
Property, plant and equipment/ Intangible assets	60,168	60,242	73	—
Investments and other assets	78,343	75,792	- 2,551	Decrease in investment securities 2,400 million yen
Total assets	198,876	193,047	- 5,829	—
Current and Non-current liabilities	50,311	45,693	- 4,617	Decrease in accounts payable-trade 900 million yen Decrease in accrued income tax 1,100 million yen Decrease in allowance for disaster loss 700 million yen Decrease in accounts payable 300 million yen Decrease in long-term accounts payable-other 100 million yen Decrease in deposits received 900 million yen Increase in provision for retirement benefits 500 million yen
Net assets	148,565	147,353	- 1,211	Dividend payment 2,600 million yen Net income in first half of FY2010 2,900 million yen Increase of Treasury stock 1,400 million yen
Total liabilities and net assets	198,876	193,047	- 5,829	—
Interest-bearing liabilities	362	300	- 62	Decrease at affiliates 6,200 million yen

Sales & Operating Income by Business Segment



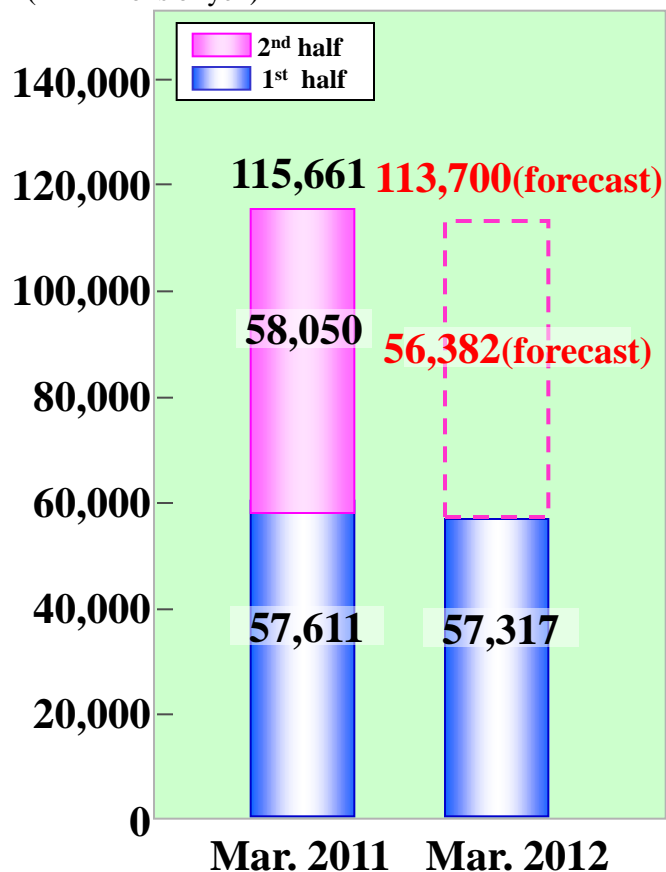
(in millions of yen)

		Fiscal Year ended Mar. 31, 2011 Operating Income on Sales(%)		Six months ended Sept. 30, 2010 Operating Income on Sales(%)		Six months ended Sept. 30, 2011 Operating Income on Sales(%)		Change increase/decrease(%)	
Clean Group	Sales	115,661	—	57,611	—	57,317	—	- 293	- 0.5
	Operating income	13,619	11.8	7,032	12.2	7,019	12.2	- 13	- 0.2
Food Group	Sales	51,112	—	24,850	—	22,970	—	- 1,880	- 7.6
	Operating income	4,418	8.6	1,666	6.7	716	3.1	- 949	- 57.0
Other Businesses	Sales	10,546	—	5,338	—	5,111	—	- 226	- 4.2
	Operating income	210	2.0	40	0.8	172	3.4	131	327.2
Elimination/ Others	Operating income	- 7,312	—	- 3,584	—	- 3,670	—	- 86	—
Total	Sales	177,320	—	87,800	—	85,399	—	- 2,400	- 2.7
	Operating income	10,937	6.2	5,155	5.9	4,238	5.0	- 917	- 17.8

Sales

6 months (Apr. – Sept., Oct. – Mar.)

(in millions of yen)

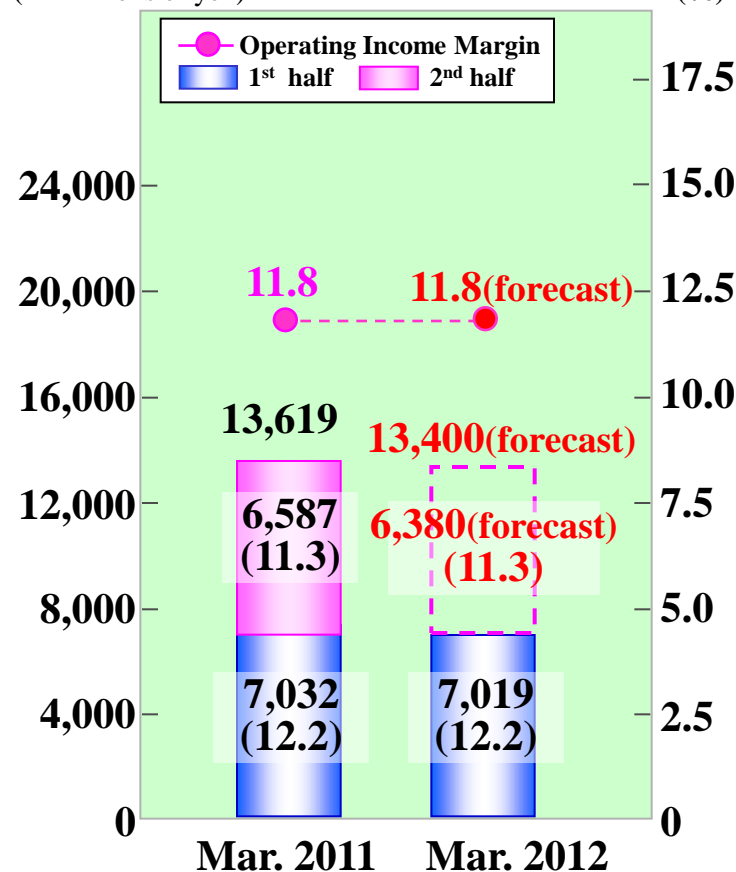


Operating Income

6 months (Apr. – Sept., Oct. – Mar.)

(in millions of yen)

(%)



Clean Group

(in millions of yen)

	Previous term	Current term	Change	(%)
Segment income (1)	57,611	57,317	-293	-0.5
Sales increase of Azare Group (2)	—	768	—	—
Income excluding Azare Group (1) – (2)	57,611	56,549	-1,061	-1.8

*Azare Group (Azare Products and Kyowa Cosmetics) were acquired as wholly-owned subsidiaries as of October 2010.

➤ Business Service (commercial market)

Affected by the continuing emphasis at companies on cost reductions

- Business Service focused on offering proposals to support customers' needs in their businesses, including services for clean air by utilizing Air-Purifier Deo. The increasing emphasis on cost reduction at companies resulted in lower sales than that in the same period of the previous year.

Sales of dust control products compared with one year earlier (based on the products shipped):
 800 million yen decrease (-3.6%)

Mat products: 600 million yen decrease (-4%)

Air Clean products: 200 million yen increase (20%) *300 million yen sales of Air purifier "Deo"

- Sales of services for commercial market continued to be slow.

➤ Home Service (residential market)

Sales increased from the same period of the previous year due to new products.

- Among the mainstay mop products, floor mop sales increased while handy mop sales were lower than the same period of the previous year.

Sales of dust control products compared with one year earlier (based on the products shipped):
 200 million yen increase from the same period of the previous year (1.0%)

▪ Mop products: 400 million yen increase (3%)

Floor mop: 6% increase (LaLa: 900 million yen increase)

Handy mop: 7% decrease (ShuShu 10 million yen increase)

- Among the residential services rendered, sales of air-conditioner cleaning service steadily increased as the power shortage made customers aware of the need to conserve electricity. Other services also recorded higher sales from one year earlier. (11% increase)

Residential air-conditioner cleaning service (customer-level sales)

▪ Both sales and number of services rendered increased 30%.

Clean Group

(in millions of yen)

	Previous term	Current term	Change	(%)
Segment income (1)	7,032	7,019	-13	-0.2
Sales increase of Azare Group (2)	—	94	94	—
Income excluding Azare Group (1) - (2)	7,032	6,925	-107	-1.5

*Azare Group (Azare Products and Kyowa Cosmetics) were acquired as wholly-owned subsidiaries as of October 2010.

- **Decrease in operating income due to decrease in sales (excluding Azare)** **100 million yen**

- **Decrease in gross profit due to increased cost ratio (excluding Azare)** **600 million yen**
 - **Major factors contributing to higher cost ratio**
 - **Cost of materials (rental products)** **300 million yen**
 - Increased input of new products (LaLa) **(500 million yen)**
 - Increased input of custom made mats **(200 million yen)**
 - Others **(400 million yen)**
 - **Cost of products** **200 million yen**
 - Cost of Health Rent products **(200 million yen)**
 - **Cost of processing products (cost of washing/cleaning of rental products)** **100 million yen**
 - Effect of changes in price of crude oil **(100 million yen)**

- **Decrease in selling, general and administrative expenses due to lower expense ratio** **600 million yen**
 - **Major factors contributing to lower expense ratio**
 - **Decrease in expenses for introducing new Branch/Shop Operation System** **300 million yen**
 - Decrease in labor cost** **200 million yen**

■ Initiatives in the second half of FY 2011 and beyond

➤ Business Service (commercial market)

Continued focus on sales activities offering proposals for support services for clean air and floor hygiene programs

- Air-Purifier Deo and custom-made mats are positioned as strategic products and offered as core products for business proposals.
- Sell a strategically priced “Powerful Mat” to meet the cost reduction needs of companies
- Enhanced sales activities for hygiene-related products and services for the steadily increasing number of “Maintenance Program members.”

Services in the commercial market

- Promote new carpet cleaning service, which shortens the time needed for cleaning

➤ Home Service (residential market)

Use enhanced sales activities for New Cleaning Style for a comfortable environment at home to establish cleaning with a Duskin mop as the standard cleaning method.

- While focusing on the floor mop LaLa, Home Service continues to promote the New Cleaning Style that replaces a vacuum cleaner with a floor mop, a container and an electrically-powered dust box, Dust Cleaner.

Advertising expenses for the LaLa floor mop were moved from the first half to second half of FY 2011. The advertising expenses are to be used in line with strategies developed by each regional office. By promoting LaLa in combination with New Cleaning Style, Home Service plans to acquire new customers as well as to establish a new standard cleaning method.

- Distribute “Pass Card” (Mister Donut discount card) valid from January 2012 to show appreciation to Duskin users, and to prevent cancellations.

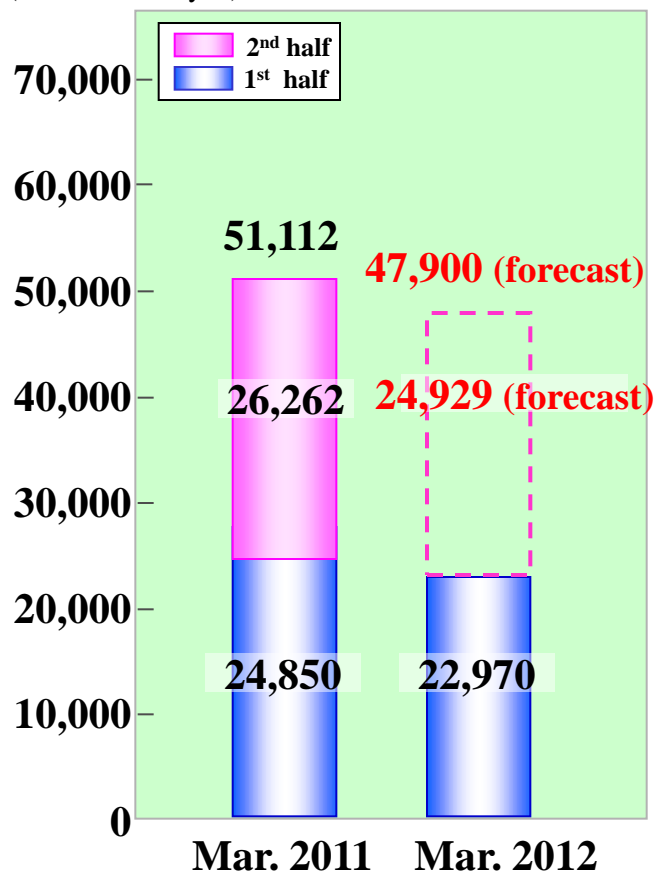
Services in the residential market

- Increase sales by adding more locations that offer “Housekeeping Service.”
- Start year-end cleaning campaign earlier to avoid receiving too many orders at the same time and to prevent loss of business opportunities.

Sales

6 months (Apr. – Sept., Oct. – Mar.)

(in millions of yen)

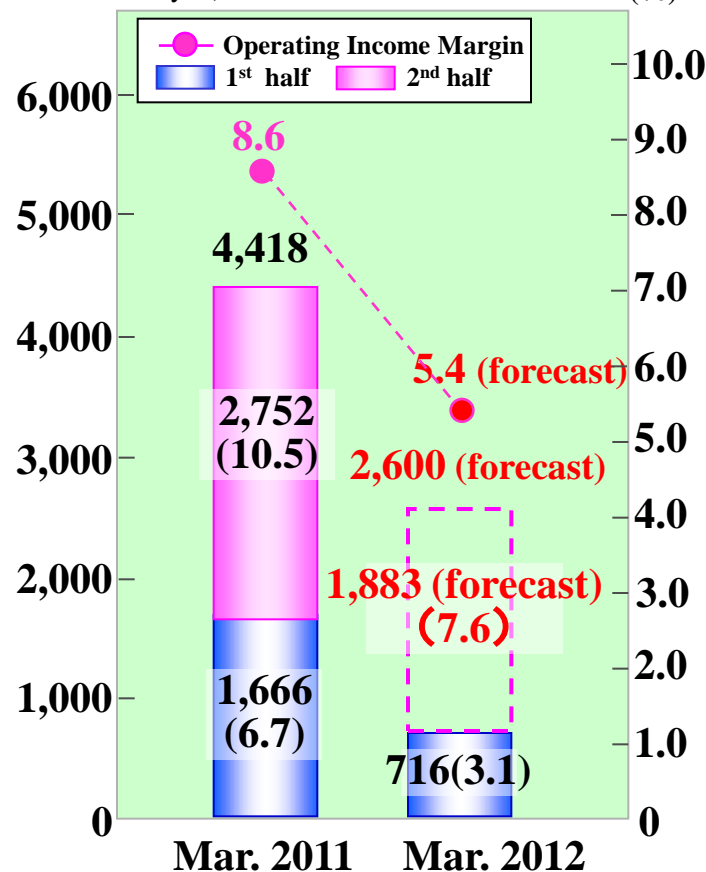


Operating Income

6 months (Apr. – Sept., Oct. – Mar.)

(in millions of yen)

(%)



Food Group

(in millions of yen)

	Previous term	Current term	Change	(%)
Sales by segment	24,850	22,970	-1,880	-7.6

➤ Food Group recorded lower sales than a year earlier because sales of Mister Donut, the main business of this segment, fell short of the plan due to weak sales of “Baked Donut,” a newly introduced product line.

- Despite the nationwide launch of “Baked Donut,” in May, and expansion of summer-only donuts and drinks for the hot summer period, sales decreased from the previous year. This is mainly because sales of “Baked Donut” were below the target and consumer sentiment declined following the Great East Japan Earthquake.

- Actual and previous term comparison of customer-level sales by items

(100 millions of yen)	Previous term	Current term	Change	
			Amount	%
Donut items	426	369	-57	-13%
Oven baked items	22	56	33	152%
Total	448	424	-24	-5%

※ Baked donuts are included in donut items

- Mister Donut Sales in Japan

Change over the previous year

1 st quarter	-5%
2 nd quarter	-7%
1 st half	-6%

- Although the goal was to open many new shops for the Mister Donut brand and new business formats, the actual net number of new shops opened was only 15, including the new locations in railway stations and the 2nd MOSDO shop.

- Change in number of shops by brand/type

	Standard	Smaller markets	andonand	Wakka	MOSDO	Total	Plan
End of FY2010	1,329	18(0)	6	1	1	1,355	—
As of Sept. 2011	1,344	19(1)	4	1	2	1,370	1,388
Change	15	1(1)	-2	0	1	15	33

※ Number in parenthesis indicates shop in a railway station without kitchen.

Food Group

(in millions of yen)

	Previous term	Current term	Change	(%)
Operating income by segment	1,666	716	-949	-57.0

- Operating income declined due to a decrease in sales 100 million yen
- Gross profit decreased due to an increase in cost ratio 700 million yen
 - Major factors for cost ratio increase
 - Cost of raw materials 200 million yen
 - Fats and oils (100 million yen)
 - Coffee (100 million yen)
 - Disposal of raw materials 300 million yen
- Increase in selling, general and administrative expenses due to higher expense ratio 200 million yen
 - Major factors for change in expenses
 - Increase in sales promotion expenses 300 million yen
 - Increase in information system expenses 200 million yen
 - Decrease in labor cost 200 million yen
 - Decrease in other expenses 100 million yen

■ Initiatives in the second half at Mister Donut Business Group

➤ Review of the product development plan

- New items focused on the fried donut product line with “reasonable” prices and “diverse” selections.
- Christmas set and New Year lucky bag with “Snoopy” character designs to create a new image for the brand.

Promotion of a variety of product lines in showcases by adding MOSDO items and special Christmas items.

➤ Additional sales campaigns

- Increased number of sales campaigns to increase shop visit frequency and sales
Sales campaigns twice a month instead of once a month

➤ Improve added value of "MISDO Club Point" card

- Lower number of points needed for exchange of goods to improve value per point
- Increase loyal customers by improving the point card system and increasing frequency of card use

➤ New shop opening strategy

Although the targeted number was not achieved, development of compact and low-investment shops for major cities and new locations continues.

Development of compact and low-investment shops

- Compact ■■■ No-kitchen shops, take-out only shops
- For smaller markets■■■ For regional cities

Other Businesses

(in millions of yen)

	Previous term	Current term	Change	(%)
Sales by segment	5,338	5,111	-226	-4.2
Operating income by segment	40	172	131	327.2

➤ Sales at a leasing company declined due to revised coverage terms

- At Duskin Kyoeki, a leasing company, although operating income remain flat, sales were lower than one year earlier because the company revised the coverage of a maintenance service agreement for equipment.
- At Duskin Healthcare, which provides management services to medical facilities, the number of customers increased but sales remained the same as one year earlier due to lower average invoices. Operating income returned to the black from the loss in the previous year.

➤ Sales of three consolidated subsidiaries overseas in total posted solid growth and earnings became positive.

- Overseas consolidated subsidiaries

Two of three overseas subsidiaries, Clean Service Shanghai and Duskin Hong Kong, which procures raw materials, recorded an increase in sales. However, sales were down slightly at Mister Donut Korea.

Elimination/Others

(in millions of yen)

	Previous term	Current term	Change	(%)
Operating income	-3,584	-3,670	-86	—

Overseas Businesses

Note: Overseas Businesses are included in the "Other Businesses" segment starting in the previous year.

➤ Sales of overseas business

Sales by businesses in overseas markets

	Country or region	Sept. 2009	Sept. 2010	Sept. 2011	Change
Dust Control Business	Taiwan (in thousand of NTD)	227,608	259,736	296,605	36,869 (14.2%)
	Shanghai (in thousand of CNY)	3,676	5,368	6,721	1,353 (25.2%)
Mister Donut Business	Taiwan (in thousand of NTD)	355,798	377,711	368,113	-9,598 (-2.5%)
	Shanghai (in thousand of CNY)	8,420	11,626	11,235	-391 (-3.4%)
	South Korea (in thousand of KRW)	7,711,758	11,988,452	11,815,500	-172,952 (-1.4%)

Overseas Businesses

Note: Overseas Businesses are included in the "Other Businesses" segment starting in the previous year.

➤ Mister Donut shops overseas

	Mar. 2011	Sept. 2011	Change
Taiwan	46	50	4
Shanghai	9	16	7
South Korea	82	79	-3
Total	137	145	8

Pilot shop opened in Malaysia in August 2011

	Mar. 2011	Sept. 2011	Change
Thailand	246	260	14
Philippines	1,807	1,861	54
Malaysia	—	1	1
Total	2,053	2,122	69

※ No. of shops in the Philippines includes locations with only showcases.



※ Pilot shop in Malaysia
Bandar Utama shop in the JUSCO mall

➤ Future plan for the dust control and Mister Donut businesses overseas
Dust Control Business

- Plan to start operations in South Korea

Mister Donut Business

- Pursuing business opportunities in Indonesia and Singapore

Forecast and Actual Results & the Full-Year Forecast



Consolidated

(in millions of yen)

	Sales	Operating income	Ordinary income	Net income
Forecast on May 13	88,900	2,900	3,900	2,200
Actual	85,399	4,238	5,332	2,866
Difference	-3,500	1,338	1,432	666
Difference (%)	-3.9	46.1	36.7	30.3

Sales

- Business Service (commercial market) sales continue to decline due to greater emphasis on cost reductions at companies
- Home Service (residential market) sales surpassed the target due to strong sales of new products.

Clean Group
700 million yen decrease

- Food Group segment sales were down sharply due to the downturn in consumer confidence caused by the Great East Japan Earthquake and the below-plan sales of the new “Baked Donut” product line.

Food Group
2,800 million yen decrease

Operating income

Reasons for increase

Fewer new products introduced during the period and some introductions postponed to the second half of the year

Cost of sales
1,000 million yen decrease

Expenses not used and postponed to the second half of the year

Expense
500 million yen decrease

Reasons for decrease

Impact on operating income from lower sales
(Decline in gross profit – Decline in expenses)Operating income
200 million yen decrease

Ordinary income

Improvement in financial income and expenditures

Non-operating income
100 million yen increase

Forecasts

[Forecasts announced on Oct. 31, 2011]

(in millions of yen)

Consolidated	Sales*	Operating Income	Ordinary Income	Net Income
	FY2010 Actual	177,320	10,937	12,613
FY2011 Initial Forecast [on May 13, 2011]	179,200	8,900	10,800	6,200
FY2012 Revised Forecast [on Oct. 31, 2011]	172,200	8,900	10,800	6,200
Change [on Oct. 31, 2011]	- 7,000	0	0	0
Rate of Change (%)	- 3.9	0	0	0

(in millions of yen)

Non-consolidated	Sales*	Operating Income	Ordinary Income	Net Income
	FY2010 Actual	155,150	8,256	10,826
FY2011 Initial Forecast [on May 13, 2011]	157,500	6,800	9,800	5,600
FY2012 Revised Forecast [on Oct. 31, 2011]	150,500	6,800	9,800	5,600
Change [on Oct. 31, 2011]	- 7,000	0	0	0
Rate of Change (%)	- 4.4	0	0	0

*Sales forecasts were revised on October 31, 2011, down 7,000 million yen from the initial forecasts on both consolidated and non-consolidated. Forecasted Net Income stayed unchanged from the initial forecasts.

**Sales &
Operating Income**

(in millions of yen)

		FY2010 Operating Income on Sales		Six months Ended Sept. 30, 2011 Actual Operating Income on Sales		Six months Ending Mar. 31, 2012 Forecasted Operating Income on Sales		FY2011 Forecasted Operating Income on Sales (Revised on Oct. 31, 2011)	
Clean Group	Sales	115,661	—	57,317	—	56,382	—	113,700	—
	Operating Income	13,619	11.8	7,019	12.2	6,380	11.3	13,400	11.8
Food Group	Sales	51,112	—	22,970	—	24,929	—	47,900	—
	Operating Income	4,418	8.6	716	3.1	1,883	7.6	2,600	5.4
Other businesses	Sales	10,546	—	5,111	—	5,488	—	10,600	—
	Operating Income	210	2.0	172	3.4	127	2.3	300	2.8
Elimination/ Others	Operating Income	- 7,312	—	- 3,670	—	- 3,729	—	- 7,400	—
Total (consolidated)	Sales	177,320	—	85,399	—	86,800	—	172,200	—
	Operating Income	10,937	6.2	4,238	5.0	4,661	5.4	8,900	5.2

For Reference



(in millions of yen)

Non-consolidated Results

	Six months ended Sept. 30, 2010	Six months ended Sept. 30, 2011	Change		Reference FY2010 ended Mar. 31, 2010
			Amount	(%)	
Sales	76,923	74,259	- 2,663	- 3.5	155,150
Operating Income	4,015	2,753	- 1,262	- 31.4	8,256
Operating Income Margin (%)	5.2	3.7	- 1.5	—	5.3
Ordinary Income	5,553	5,058	- 495	- 8.9	10,826
Ordinary Income On Sales (%)	7.2	6.8	- 0.4	—	7.0
Net Income	2,587	3,143	556	21.5	4,615
Net Income On Sales (%)	3.4	4.2	0.9	—	3.0

Customer-Level Sales by Business Segment

(in millions of yen)

	Six months ended Sept. 30, 2010		Six months ended Sept. 30, 2011		Change (%)		Reference FY2010 Ended Mar. 31, 2011	
	Amount	Mix	Amount	Mix	Amount	%	Amount	Mix
Clean Group	139,252	66.7	137,173	67.6	- 2,079	- 1.5	279,314	65.8
Food Group	59,824	28.7	56,396	27.8	- 3,427	- 5.7	125,061	29.5
Other Businesses	9,650	4.6	9,327	4.6	- 323	- 3.4	19,945	4.7
Total	208,728	100.0	202,897	100.0	- 5,830	- 2.8	424,322	100.0

The Customer-Level Sales are the total of company-owned and subsidiary shops and the estimated sales at franchised shops in Japan and overseas operation.

First Half Customer-Level Sales

(in millions of yen)

	Six months ended Sept. 30, 2010	Six months ended Sept. 30, 2011	Change	%	FY2010 ended Mar. 31, 2011
Clean Group	139,252	137,173	- 2,079	- 1.5	279,314
Home Service: Dust Control (Domestic)	54,348	52,167	- 2,180	- 4.0	108,477
Business Service: Dust Control (Domestic)	52,381	49,817	- 2,563	- 4.9	103,604
Care Service	20,772	21,634	861	4.1	41,987
(ServiceMaster Clean)	(12,186)	(12,763)	(576)	(4.7)	24,860
(Merry Maids)	(3,903)	(4,055)	(152)	(3.9)	(8,382)
(Terminix)	(3,779)	(3,844)	(64)	(1.7)	(6,974)
(TruGreen)	(902)	(970)	(67)	(7.5)	(1,770)
Health & Beauty	1,499	1,437	- 61	- 4.1	(2,882)
Azare Products	-	2,182	2,182	-	2,312
Home Instead	1,167	1,113	- 54	- 4.6	2,235
Rent-All	6,880	6,765	- 115	- 1.7	13,596
Uniform Service	1,623	1,331	- 292	- 18.0	3,022
Drink Service	579	724	145	25.1	1,195
Food Group	59,824	56,396	- 3,427	- 5.7	125,061
Mister Donut	57,151	54,010	- 3,140	- 5.5	119,890
Food Chain	1,371	1,337	- 34	- 2.5	2,745
Don Co., Ltd.	1,301	1,049	- 252	- 19.4	2,425
Other Businesses	9,650	9,327	- 323	- 3.4	19,945
Dust Control (Overseas)	762	827	64	8.5	1,642
Mister Donut (Overseas)	5,472	5,086	- 386	- 7.1	11,493
Duskin HealthCare Co., Ltd.	3,415	3,413	- 1	- 0.1	6,809
Total	208,728	202,897	- 5,830	- 2.8	424,322

Business Summary by Segment

Year ended Mar. 31, 2011:

Consolidated sales 177,300 million yen, Consolidated operating income 10,900 million yen

Clean Group

(millions of yen)

Sales	115,700
Operating Income	13,600

Sales associated from:

- 1) Sales of merchandise and rental products to franchisees
- 2) Dust Control franchisees are not responsible for royalty fee payment.
- 3) Sales at company branches

Home Service

Business Service

Dust Control

Offering products to help make work & home environment comfortable such as dust control mops and mats, range filters, water purifiers, air purifiers, and rest-room use items.

Care Services

Providing house cleaning, house-keeping, pest control, and tree and lawn care services

Health & Beauty

Cosmetics & Health food

Home Instead

Offering senior care service

Rent-All

Rent goods for events and nursing care

Uniform Service

Rental & Cleaning

Drink Service

Coffee & water

Food Group

(millions of yen)

Sales	51,100
Operating Income	4,400

Sales associated from:

- 1) Sales of raw materials to franchisees
- 2) Royalty
- 3) Sales at company shops

Mister Donut

Operating specialty shops offering hand-made fresh donuts

(including “andonand,” MOSDO, and “Wakka.”)

Food Chain

Operating pork cutlet restaurant chain, “Katsu & Katsu,” Café Du Monde, and Stick Sweets Factory offering stick type cake

Don Co., Ltd.

Offering a variety of donburi with fresh seafood and seasonal ingredients

Other Businesses

(millions of yen)

Sales	10,500
Operating Income	200

Sales associated from:

- 1) Sales of raw materials to franchisees
- 2) Royalty
- 3) Sales at company shops

Duskin Healthcare Co., Ltd.

Hospital management services

Duskin Kyoeki Co., Ltd.

Leasing business

Duskin Insurance Service Co., Ltd

Overseas, Others

Operating Dust Control & Mister Donut in overseas market; Duskin Hong Kong Co., Ltd.

***Business segments:
as of April 1, 2011**

Franchise Operation

※as of April 1, 2011

Clean Group

Home Service

- Rent mops and mats through periodic visits

Dust Control	Mops, mats, etc.
Air Clean	Air-purifiers
Water Clean	Water-purifiers

- Care Services

ServiceMaster	Professional cleaning
Merry Maids	Housekeeping
Terminix	Pest control & prevention
TruGreen	Tree, shrub, lawn care

- Health & Beauty
- Home Instead
- Rent-All
- Uniform Service
- Drink Service

Cosmetics & health food

Senior care

Rent goods for events and nursing care

Rental and cleaning of uniforms

Water and coffee

Business Service

- Rent mops and mats through periodic visits

Dust Control	Mops, mats, etc.
Clean Service	Bathroom products Cabinet towels, etc.

Air Clean	Air-purifiers
Water Clean	Water-purifiers
Wipeful Service	Wiper cloth

- Care Services

ServiceMaster	Professional cleaning
Terminix	Pest control & prevention

Food Group

- Mister Donut
- | | |
|--------------|--------------|
| Mister Donut | Mister Donut |
| | “andonand” |
| | MOSDO |
| | “Wakka” |

- Food Chain

Café du Monde	Café au Lait & Beignet
Katsu & Katsu	Pork Cutlet
Stick Sweets Factory ..	Stick Cake

- The Don
- | | |
|---------|-----------------|
| The Don | Seafood Donburi |
|---------|-----------------|

Other Businesses

- Services (sales) offered mainly to franchisees

Duskin Kyoeki	Leasing business
Duskin Insurance	Insurance services

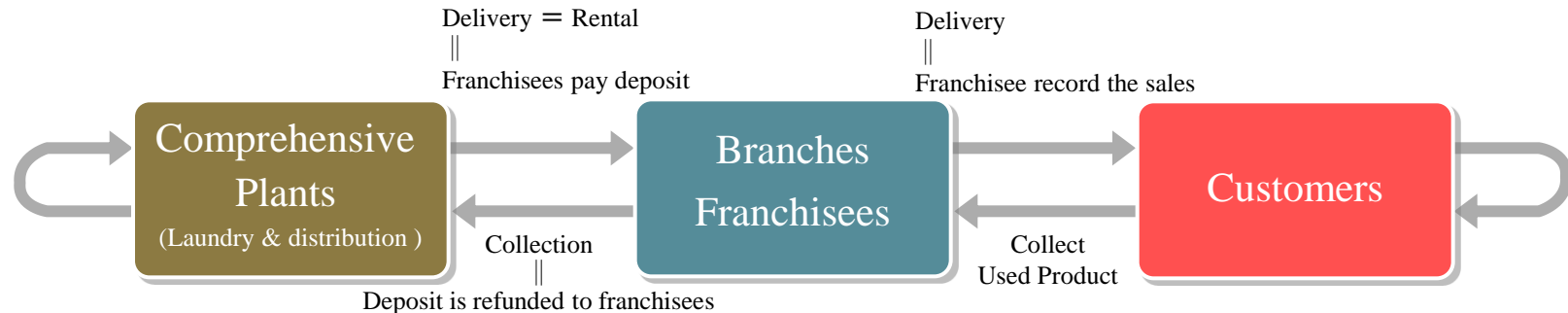
- Duskin Healthcare
- | | |
|-------------------|------------------------------|
| Duskin Healthcare | Hospital management services |
|-------------------|------------------------------|

- Overseas businesses

Developing Dust Control & Mister Donut in overseas market; Duskin Hong Kong Co., Ltd.

Rental of mops and mats:

based on the idea to fully recycle the products through repeated use until the end of their useable life



Company owned & Subsidiary plants:	14	Company owned & Subsidiary units:	78	Sales Representatives:	Residential Customers:	Commercial Customers:
Franchised plants:	33	Franchised units:	2,100*			
Total plants:	47	Operation units:	2,200*			

*Approximately

Strength 1 : Production, logistics and distribution system to cover the nation

- Competition is little in this business field since it requires a large investment to establish a laundry plant system and to purchase materials for rental products. Also it requires time and money to create a nationwide sales organization.

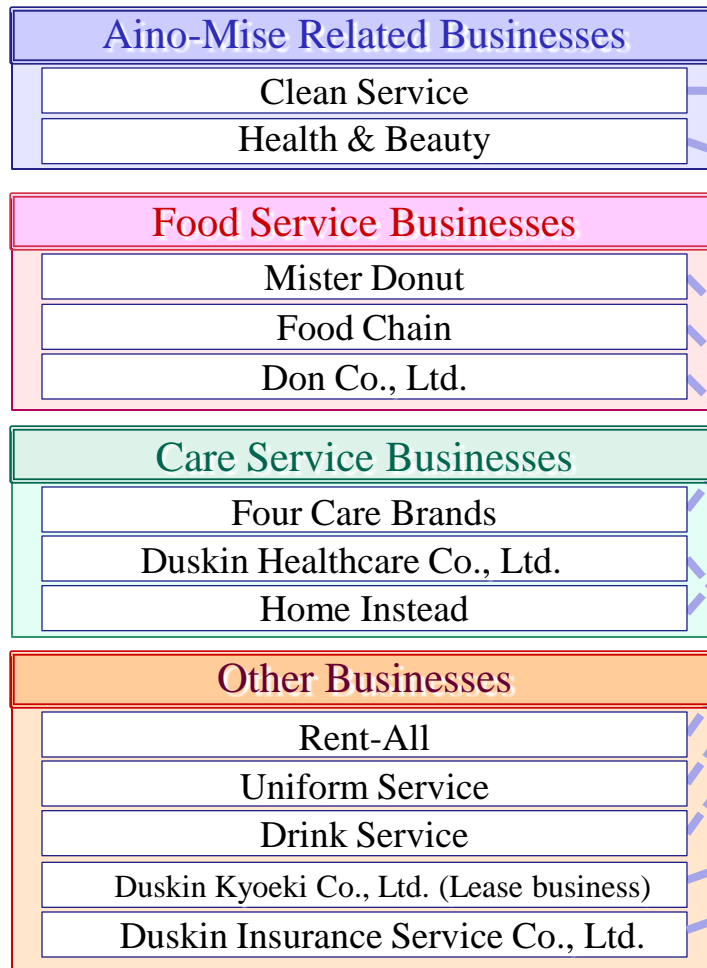
Strength 2 : Strong customer-base

- Maintains extensive large customer-base, including strong and loyal residential customer-base. Sales representatives can sell products person-to-person by utilizing this customer-base.

Change of business segments

Business segments were changed in FY2010.

Segments until FY2009



Segments from FY2010

