

Six-month Period Ended Sept. 30, 2013

Financial Report

Duskin Co., Ltd.

November 27, 2013



- These materials contain forward-looking statements concerning forecasts, goals, 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 stated on page 9 (Segment information), Note (2) in our Summary of Consolidated Financial Results for the First Six Months of the Fiscal Year Ending March 31, 2014, segment income adjustments include “eliminations for inter-segment sales and transfers” and “corporate expenses” which are presented as “Eliminations/Corporate” in these materials.



Table of Contents

■ Financial Summary	
Consolidated Financial Summary	2
Sales Summary	3
Operating Income Summary	5
Ordinary Income Summary	7
Net Income Summary	9
Consolidated Balance Sheet Summary	11
■ Sales & Operating Income by Business Segment	
Highlights by Business Segment	13
Summary of Core Businesses	
Clean & Care Group	14
Food Group	18
Other Businesses, Corporate	22
Other Businesses (Overseas Businesses)	23
■ Forecasts and Actual Results, and FY2013 Forecast	
Forecasts and Actual Results for the First Half	26
FY2013 Forecast	27
■ Dividends	
Dividends	30
■ Reference	
Financial Summary - Non-consolidated Results	32
Customer-Level Sales by Business	33
Business Summary by Segment	34
Recycle-oriented Business Model at Dust Control Business	36



Financial Summary

Six-month Period Ended Sept. 30, 2013

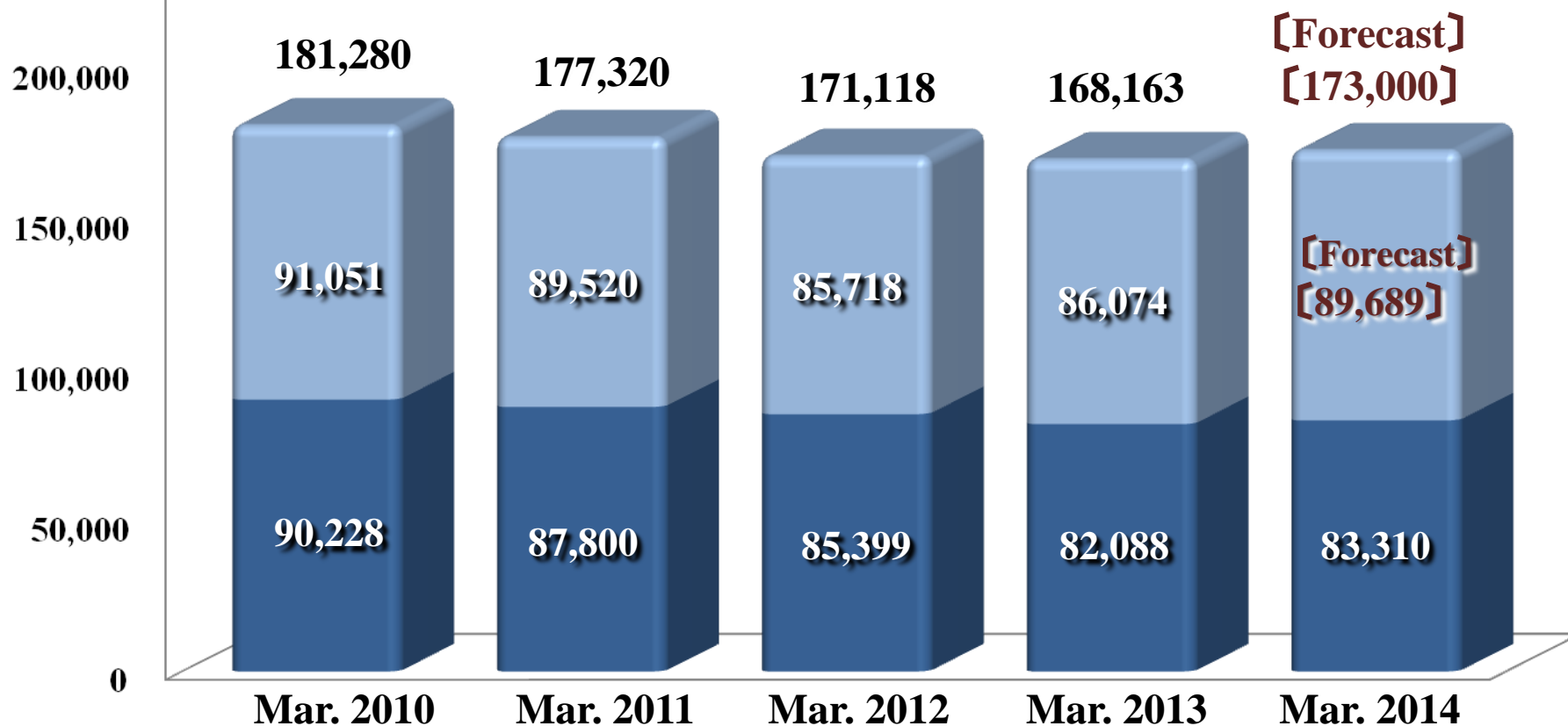


Consolidated Results

(millions of yen)

	Six months ended Sept. 30, 2012	Six months ended Sept. 30, 2013	Increase/Decrease		Reference FY2012 ended Mar. 31, 2013
			Amount	%	
Sales	82,088	83,310	+1,221	+ 1.5	168,163
Operating Income	4,751	4,351	-399	-8.4	9,197
Operating Income on Sales (%)	5.8	5.2	-0.6	—	5.5
Ordinary Income	5,746	5,327	-419	-7.3	11,027
Ordinary Income on Sales (%)	7.0	6.4	-0.6	—	6.6
Net Income	2,967	3,059	+ 91	+ 3.1	6,092
Net Income on Sales (%)	3.6	3.7	+ 0.1	—	3.6

Consolidated Sales

(millions of yen)
250,000Sales - 1st half Sales - 2nd half

Consolidated Sales

Consolidated Sales

83,310 million yen 1,221 million yen increase (1.5%)

Major Factor

The first-quarter sales of Hachiya Dairy Products Co., Ltd., which became a consolidated subsidiary in the Food Group in the second quarter in the previous year

+400 million

« Excluding this factor, sales of existing businesses alone increased approximately 800 million yen from a year earlier. »

Sales by segment

(millions of yen)

	Six months ended Sept. 30, 2012	Six months ended Sept. 30, 2013	Increase/decrease (%)	
Clean & Care Group	54,194	55,023	+828	(+1.5)
Food Group	22,769	22,999	+230	(+1.0)
Other Businesses	5,124	5,286	+162	(+3.2)
Total (Consolidated)	82,088	83,310	+1,221	(+1.5)

*The figures given here show the increase or decrease from the same period of the previous year.

Consolidated Operating Income

(millions of yen)

20,000

16,000

12,000

8,000

4,000

0

◆ Operating Income on Sales ■ Operating Income - 1st half ■ Operating Income - 2nd half

6.7%

6.2%

5.8%

5.5%

12,129

5,623
(6.2)6,505
(7.2)

10,937

5,782
(6.5)5,155
(5.9)

9,841

5,603
(6.5)4,238
(5.0)

9,197

4,445
(5.2)4,751
(5.8)[Forecast]
[3.6%]

[Forecast]

[6,300]

[Forecast]
[1,948](2.2)

4,351(5.2)

Mar. 2010

Mar. 2011

Mar. 2012

Mar. 2013

Mar. 2014

Remarks on Consolidated Operating Income

Consolidated Operating Income

4,351 million yen 399 million yen decrease (-8.4%)

Major factors contributing to increases and decreases

- | | |
|---|------------------|
| 1. Impact on operating income due to increased sales | +0 million yen |
| 2. Impact on operating income due to change in cost rate | -100 million yen |
| 3. Impact on operating income due to change in expense rate | -300 million yen |
| 4. Decreased operating income of Hachiya Dairy Products Co., Ltd. | -0 million yen |

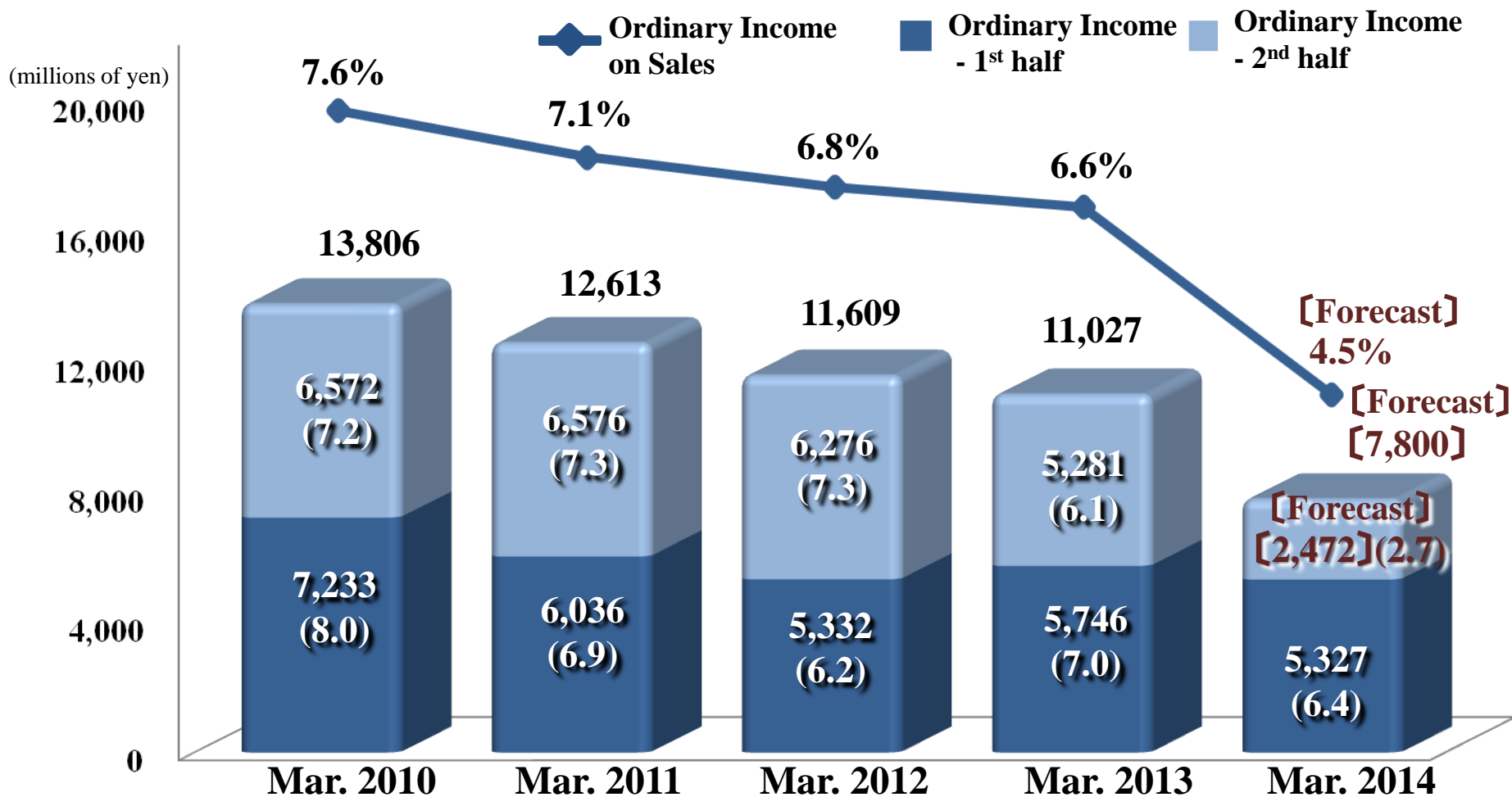
(millions of yen)

Operating Income by Segment

Operating Income by Segment	Six months ended Sept. 30, 2012		Six months ended Sept. 30, 2013		Increase/decrease	
	Operating Income	Margin (%)	Operating Income	Margin (%)	Operating Income	Margin (%)
Clean & Care Group	7,317	(13.5)	7,512	(13.7)	+195	(+2.7)
Food Group	478	(2.1)	-144	(-0.6)	-622	(-130.1)
Other Businesses	216	(4.2)	209	(4.0)	-6	(-3.2)
Eliminations/ Corporate	-3,261	(-)	-3,227	(-)	+34	(-)
Total (Consolidated)	4,751	(5.8)	4,351	(5.2)	-399	(-8.4)

*The figures given here show the increase or decrease from the same period of the previous year.

Consolidated Ordinary Income



Remarks on Consolidated Ordinary Income

Consolidated Ordinary Income

5,327 million yen 419 million yen decrease (-7.3%)

Major factors contributing to increases and decreases

1. Decrease in ordinary income -400 million yen

2. Increase in non-operating income/loss -19 million yen

▪ Financial income and expenditure +12 million yen

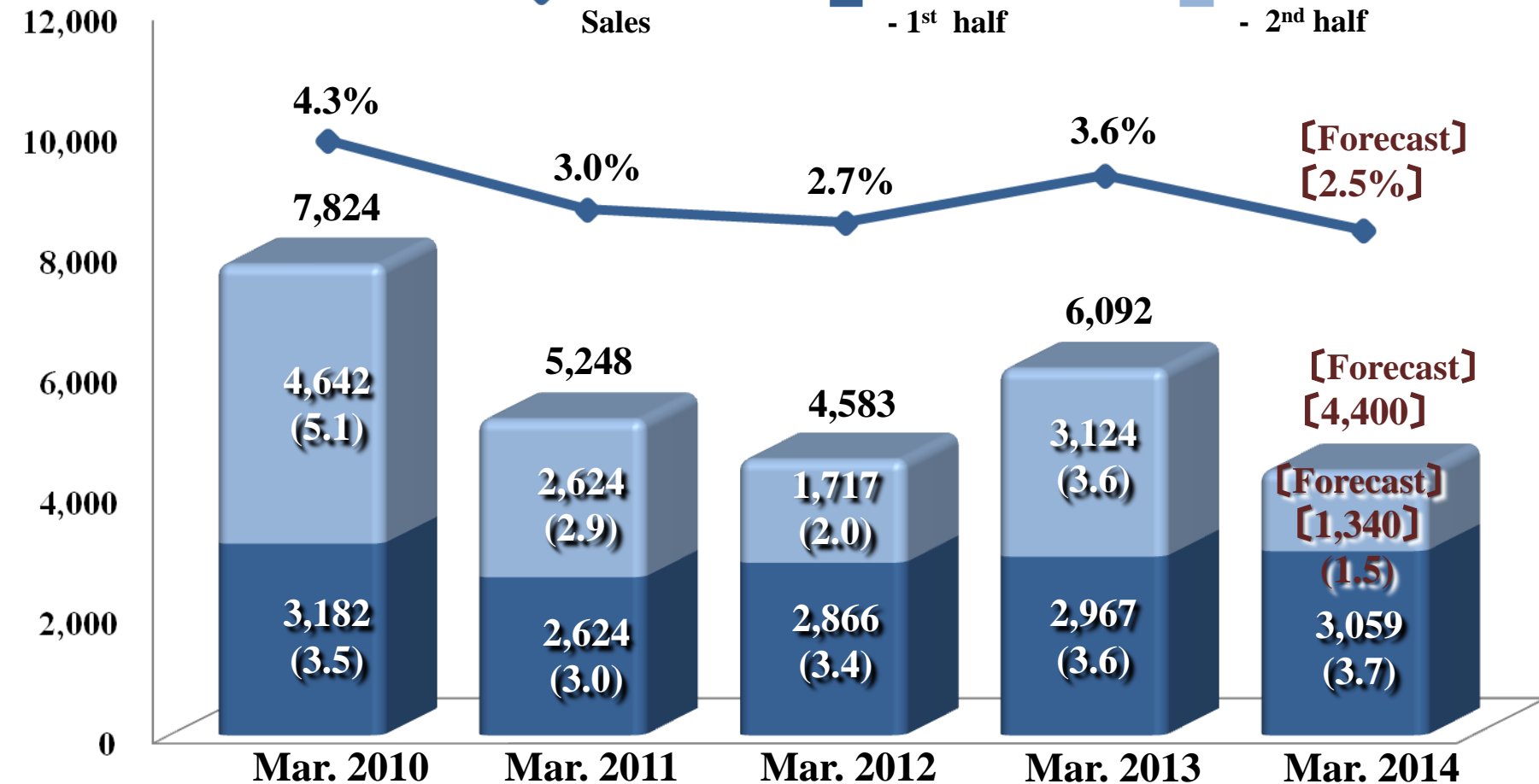
(millions of yen)		Six months ended Sept. 30, 2012	Six months ended Sept. 30, 2013	Increase/ decrease
Interest income	(1)	470	487	+16
Dividends income	(2)	142	136	-5
Interest expense	(3)	2	1	-0
Financial income and expenditure	(1)+(2)-(3)	610	623	+12

▪ Other -31 million yen

*The figures given here show the increase or decrease from the same period of the previous year.

Consolidated Net Income

(millions of yen)



Remarks on Consolidated Net Income

Consolidated Net Income

3,059 million yen 91 million yen increase (+3.1%)

Major factors contributing to increases and decreases

1. Increase and decrease in net income before tax -300 million yen

- Increase/decrease in ordinary income -400 million yen
- Increase/decrease in extraordinary loss/income +100 million yen

➢ Decreased valuation loss on investment securities (+1,000 million yen)

➢ Decreased gain on sales and redemption of investment securities (-900 million)

2. Decreased income tax adjustment +400 million yen

There was no gain on sales and redemption of investment securities during the period under review while there was gain sales and redemption of investment securities in the previous year.

*The figures given here show the increase or decrease from the same period of the previous year.

Consolidated Balance Sheet

(millions of yen)

	FY2012 ended Mar. 31, 2013	Six months ended Sept. 30, 2013	Increase/ decrease	Major factors contributing to increases and decreases
Current asset	59,162	55,743	-3,418	Cash and deposits 2,100 mil. yen increase Securities 6,200 mil. yen decrease Merchandise and finished goods 1,100 mil. yen increase
Property, plant and equipment/ Intangible assets	61,597	60,512	-1,085	Buildings and structures 400 mil. yen decrease Construction in progress 700 mil. yen increase Other 600 mil. yen decrease
Investments and other assets	81,614	85,604	+3,990	Investment securities 4,800 mil. yen increase Deferred tax assets 400 mil. yen decrease
Total assets	202,375	201,860	-514	—
Current and non-current liabilities	49,563	47,219	- 2,343	Accounts payable-trade 400 mil. yen decrease Provision for bonuses 300 mil. yen decrease Accounts payable-other 1,100 mil. yen decrease Provision for retirement benefits 500 mil. yen increase
Net assets	152,811	154,640	+1,829	Retained earnings 1,800 mil. yen increase Treasury stock 900 mil. yen decrease Valuation difference on available-for-sale securities 800 mil. yen increase
Total liabilities and net assets	202,375	201,860	- 514	—
Debt with interests	189	138	- 50	Decrease in loans at affiliates

Sales and Operating Income by Segment



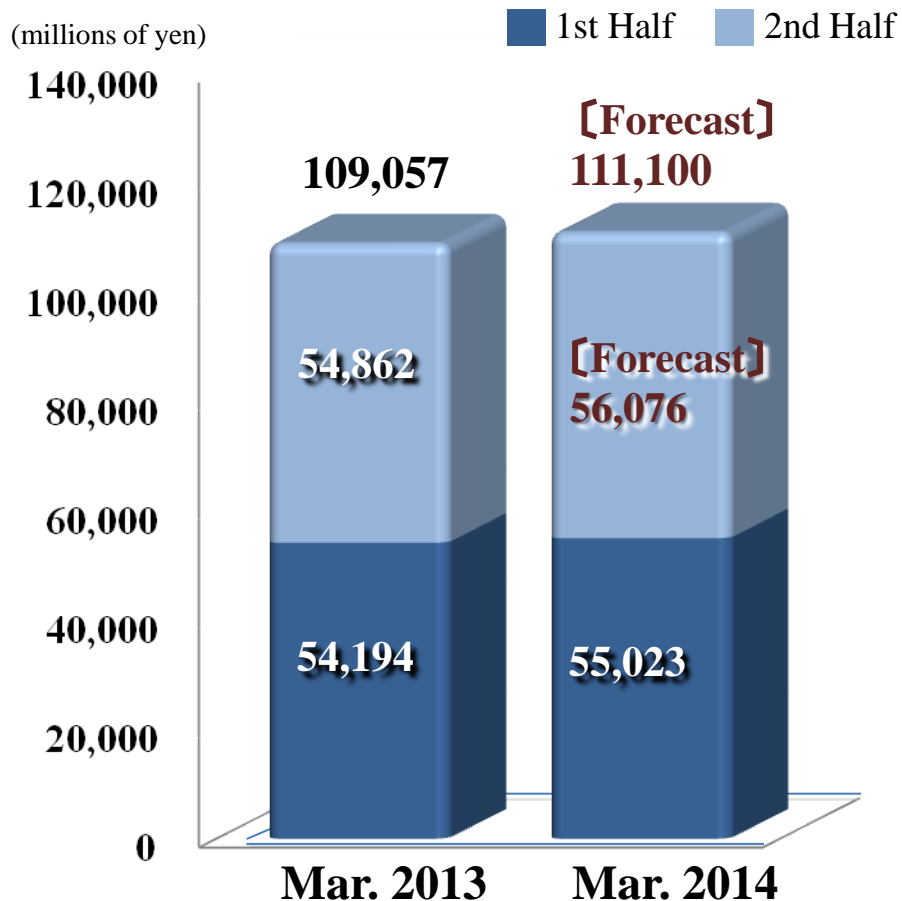
Results by Segment

(millions of yen)

		FY2012		Six months ended Sept. 30, 2012		Six months ended Sept. 30, 2013		Increase/Decrease (%)	
		Operating Income on Sales (%)		Operating Income on Sales (%)		Operating Income on Sales (%)			
Clean & Care Group	Sales	109,057	—	54,194	—	55,023	—	828	1.5
	Operating Income	14,380	13.2	7,317	13.5	7,512	13.7	195	2.7
Food Group	Sales	48,804	—	22,769	—	22,999	—	230	1.0
	Operating Income	1,140	2.3	478	2.1	- 144	- 0.6	- 622	- 130.1
Other Businesses	Sales	10,301	—	5,124	—	5,286	—	162	3.2
	Operating Income	236	2.3	216	4.2	209	4.0	- 6	- 3.2
Eliminations/ Corporate	Operating Income	-6,561	—	- 3,261	—	- 3,227	—	34	—
Total (Consolidated)	Sales	168,163	—	82,088	—	83,310	—	1,221	1.5
	Operating Income	9,197	5.5	4,751	5.8	4,351	5.2	- 399	- 8.4

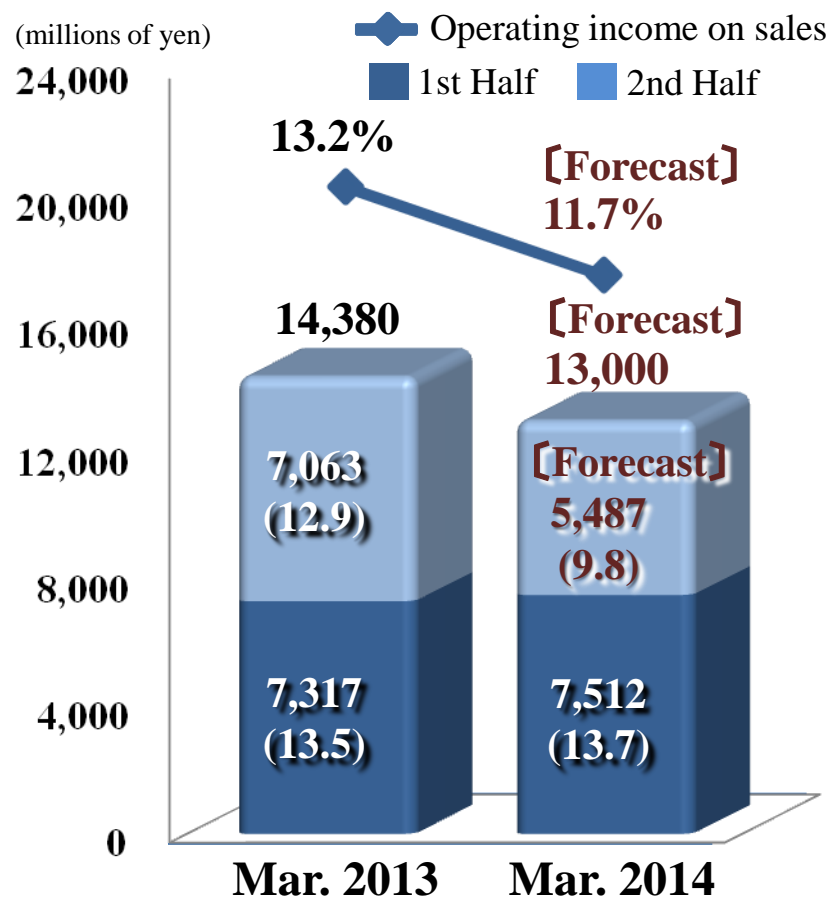
Sales

6 months (Apr. –Sept., Oct. – Mar.)



Operating income

6 months (Apr. –Sept., Oct. – Mar.)



Sales

	(millions of yen)			
	Previous term	Current term	Change	(%)
Sales	54,194	55,023	+828	+1.5

Residential Market

- As part of Duskin 50th Anniversary Campaign, "Try Me Festival" promotion events were held across Japan to encourage prospective customers to try our products.
 - Due to the success of these the rental sales of the campaign products, floor mop LaLa, handy mop Shushu, and electric dust box Dust Cleaner grew steadily.
 - The total rental sales of residential dust control products were slightly higher than in the same period of the previous year.
- All technical services for the residential market, including housekeeping services, recorded steady growth.

Commercial Market

- The commercial market continued to face a difficult business climate.
 - Among dust control products, the sales of new mat products such as thin-type dust control and water absorption mat, and inside mat, grew steadily, while restroom-related products posted lower sales.
- Technical services for commercial customers recorded steady sales growth while facility management services for large-scale commercial facilities recorded lower sales.

Others

- Rent All recorded favorable results in rental services for assisted-living and health care products, and event orders.

*The figures given here show the increase or decrease from the same period of the previous year.

Operating Income

(millions of yen)	Previous term	Current term	Change	%
Operating income	7,317	7,512	+195	+2.7

【 Change from the previous term 】

The cost of introducing a new mat product (Thin-type dust control & water absorption mat), into the market increased, and sales promotion expenses increased due to the 50th Anniversary campaigns. However, operating income increased along with sales increase and increased gross profit. In addition, the Rent-All business, that continued to record favorable results from the previous year, contributed to the increase in operating income.

➤ Impact on operating income due to increased sales +100 million yen

➤ Impact on operating income due to increased cost rate -100 million yen

- Increased cost of introducing mat products into the market -400 million yen
- Cost reduction at laundry plants +200 million yen
- Others +100 million yen

➤ Impact on operating income due to improved expense rate +200 million yen

- Increased sales promotion expenses for "Try Me Festival" and other sales activities -200 million yen
- Decreased system expenses +100 million yen
- Decreased depreciation/amortization expenses +100 million yen
- Decreased outsourcing expenses +100 million yen
- Improved profits of Rent-All and other businesses +100 million yen

*The figures given here show the increase or decrease from the same period of the previous year.

Future initiative

➤ Residential Market

- Develop event demonstration package designed to meet local needs and to encourage prospective customers to experience our products.
- Conduct sales promotion events at smaller-scaled commercial venues, including local supermarkets and stores, in addition to the events held in the larger commercial buildings.
- Further promote our easy but thorough cleaning style using LaLa, Shushu and Dust Cleaner.
- Improve/expand our service structure to meet customers' needs
- Develop a new system that enables us to deliver information to all customers
- Develop service framework that enables us to flexibly respond to the demands for our care services.

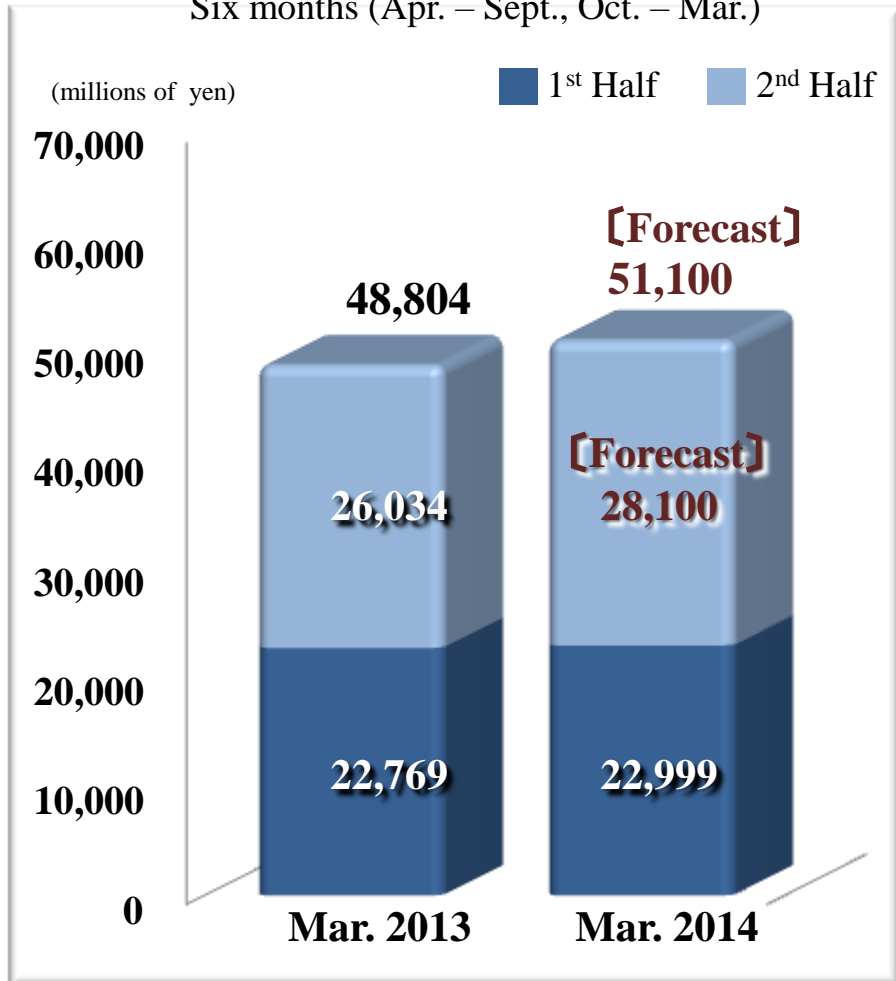
➤ Commercial Market

- Increase rental service locations (focused on replacing rental products)
 - Pursue service efficiency by centralizing the replacement services to exchange rental products, and thereby provide customers with higher quality service.
- Expand sales locations
 - Increase time to focus on sales activities, develop sales persons, and thereby improve our sales capabilities
- Offer comprehensive solutions for hygiene management by combining cleaning services and hygiene products
 - Promote hygiene management service for food service establishments



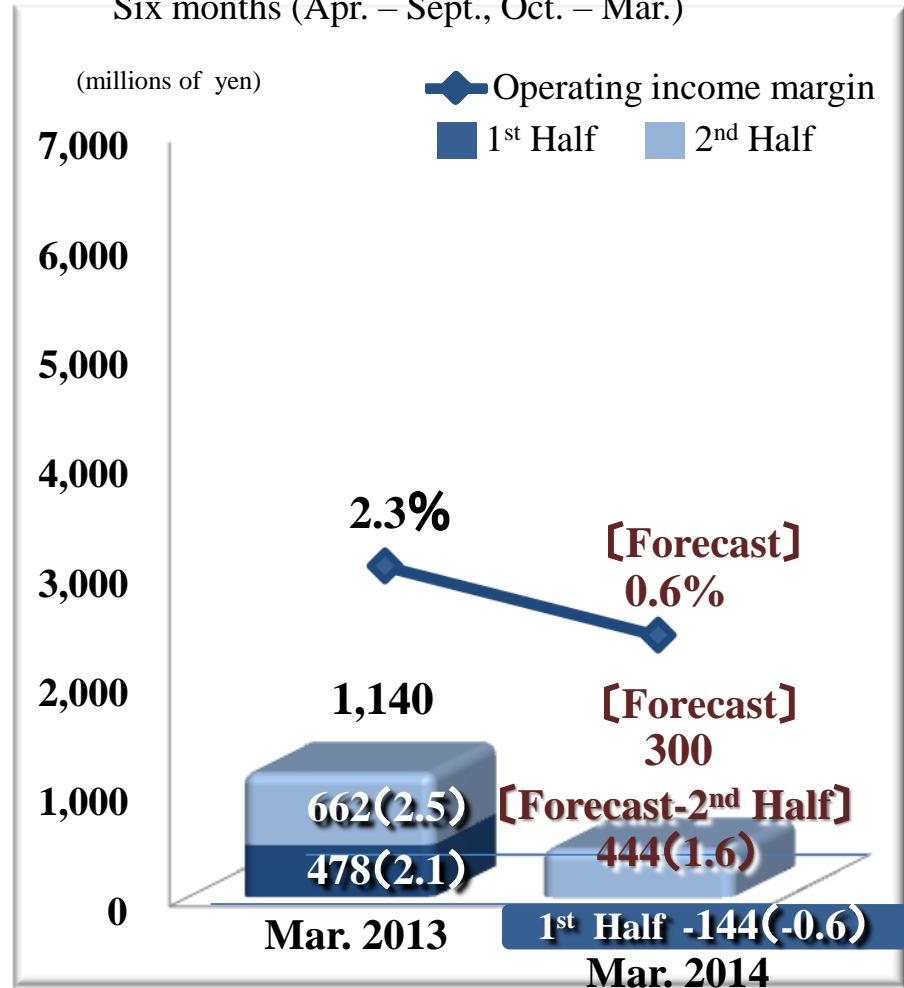
Sales

Six months (Apr. – Sept., Oct. – Mar.)



Operating Income

Six months (Apr. – Sept., Oct. – Mar.)



Sales

		(millions of yen)		Previous term	Current term	Change	%
Sales (1)				22,769	22,999	+230	+1.0
1Q sales of Hachiya Dairy Products (2)				—	454	+454	—
Sales excluding (2)	(1) - (2)			22,769	22,545	-224	-1.0

Hachiya Dairy Products, which became a consolidated subsidiary in July 2012 contributed to an increase in sales.

There was a 200 million yen decrease in segment sales excluding Hachiya Dairy Products

The Group discontinued the stick cake business in March 2012.

■ Mister Donut Initiatives

- Initiatives to enhance brand value, "TRY! NEW MISDO!"
 - Introduced newly developed frying oil and glaze, renewed dough for popular donut items in April
 - Released new original coffee in September
- Continued Pon De Ring 10th Anniversary promotion
- Collaboration with leading companies
 - Calpico Donuts, Family Curry Buns

◀ Mister Donut customer-level sales: Actual and previous term comparison ▶

Change from previous year	1Q +1.6%	2Q -9.3%	1st Half -4.0%
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■ Mister Donut shops in Japan (As of Sept. 30)

	Mister Donut			MOSDO	Wakka	Total
	Standard	Smaller market	Small space			
Mar. 31, 2013	1,356	17	3	1	1	1,378
Sept. 30, 2013	1,344	17	3	1	0	1,365
Change	-12	0	0	0	-1	-13

Operating Income

	(millions of yen)			
	Previous term	Current term	Change	%
Operating income (1)	478	-144	-622	-130.1
1Q operating income of Hachiya (2)	—	-5	-5	—
Operating income excluding (2) (1) - (2)	478	-138	-616	-128.9

【 Change from the previous term 】

Mister Donut recorded an operating loss, due to higher advertising expenses and higher cost of raw materials.

➤ Impact on operating income due to a decline in sales (excluding the results of Hachiya Dairy Products) -0 million yen

➤ Impact on operating income due to increased cost rate (excluding the results of Hachiya Dairy Products) -100 million yen

- Higher cost of raw materials -100 million yen
- Increased disposal -100 million yen

➤ Impact on operating income due to increased expenses (excluding the results of Hachiya Dairy Products) -500 million yen

- Sales promotion expenses -100 million yen
 - Increased advertisement expenses mainly for TRY! NEW MISDO! campaign
 - Decrease in sales promotion expenses as "half-price sale," which was carried out in September 2012 was not conducted during the period under review.
- Increase in depreciation/amortization expenses, distribution expenses and outsourcing expenses -300 million yen

*The figures given here show the increase or decrease from the same period of the previous year.

Mister Donut Future Initiative

- Enhance eat-in service
 - Offer a set of coffee and pies



- Develop wider variety of products
 - Christmas donuts

MISDO x SNOOPY

- Halloween

MISDO x Hello Kitty



- Sell new regular donuts

- Kranz Ring

- Pon De Ring 10th Anniversary promotion plan

- New items of Pon De Ring -Fresh line



- MISDO Bits to be offered as regular items

- Very popular MISDO Bits to be offered each season as new regular items

Limited-time offer "MISDO Bits - Winter"



"MISDO Bits - Spring" to be introduced in Feb. 2014

Other Businesses

(millions of yen)	Previous term	Current term	Change	%
Sales by segment	5,124	5,286	+162	+3.2
Operating income by segment	216	209	-6	-3.2

- Sales increased at both Duskin Healthcare (hospital management service) and Duskin Kyoeki (leasing business)
- At Duskin Kyoeki (leasing business) , profit decreased due to increase in cost rate.

➤ Overseas businesses

- Clean & Care businesses recorded steady growth in all overseas markets.
- Mister Donut in Taiwan, Shanghai and South Korea posted lower sales than in the previous year.

Eliminations or corporate

(millions of yen)	Previous term	Current term	Change	%
Operating income by segment	-3,261	-3,227	+34	—

- Expenses decreased slightly due to reduction of corporate expenses, including corporate advertising expenses.

Overseas Businesses

➤ Customer-level sales: Overseas Businesses

▪ Clean & Care businesses in Taiwan recorded steady growth while benefiting from synergies with technical services introduced in previous year.

	Country/region	Jan. – June 2012	Jan. – June 2013	Change %
Clean & Care Businesses	Taiwan (thousands of NTD)	346,508	397,811	+51,303 (+14.8%)
	Shanghai (thousands of CNY)	6,959	6,978	+19 (+0.3%)
	South Korea (millions of KRW)	20,620	288,427	+267,807 (+1,298.8%)
Mister Donut Businesses	Taiwan (thousand of NTD)	347,017	298,276	-48,740 (-14.0%)
	Shanghai (thousand of CNY)	16,261	14,714	-1,547 (-9.5%)
	South Korea (millions of KRW)	11,142,352	6,091,717	-5,050,634 (-45.3%)

➤ Number of Mister Donut shops in overseas markets (Taiwan, Shanghai, South Korea)

	As of Dec. 2012	As of June 2013	Change
Total (Taiwan, Shanghai, South Korea)	133	104	-29

Future initiatives

➤ Clean & Care Businesses:

- Focus on increasing number of residential customers in existing overseas markets
 - Increase number of units
 - Conduct promotions through exhibit / demonstration
- Develop new sales channel utilizing SNS
- Expand cleaning and technical services



Exhibit/demonstration in Shanghai



Trial of mops in Korea

➤ Mister Donut Businesses:

- Expand into new markets (South-east Asia and Oceania)
- Introduce new shop models targeting “eat-in” customers
- Focus on product development and sales promotion to satisfy the local consumer preferences



Opening of the new shop in Malaysia



“Stick Do” in Thailand

Forecasts and Actual Results



Consolidated Results

➤ Change from forecast for the first half announced on May 15, 2013

(millions of yen)

	Sales	Operating Income	Ordinary Income	Net Income
Forecast for the First Half	84,500	3,100	3,900	2,400
Actual	83,310	4,351	5,327	3,059
Difference (%)	-1,189 (-1.4)	+1,251 (+40.4)	+1,427 (+36.6)	+659 (+27.5)

Sales

≪ Clean & Care Group ≫ Residential market: Lower than projected -100 million yen
 Commercial market: Lower than projected -400 million yen

 ≪ Food Group ≫ Mister Donut: Lower than projected -1,000 million yen

Operating Income

≪ Clean & Care Group ≫ Decrease in cost of Dust Cleaners + 300 million yen
 Decrease in input of mat products + 300 million yen
 Expenses related to 50th anniversary were carried forward to the second half of the fiscal year. + 100 million yen

 ≪ Food Group ≫ Operating income was as projected.
 Lower sales was partially offset by expenses carried forward to the second half.

Ordinary Income

- Higher operating income and non-operating profit and loss

*The figures given here show the increase or decrease from the same period of the previous year.

Consolidated

(Announced on May 15,2013)

(millions of yen)

	Sales	Operating Income	Ordinary Income	Net Income
FY2012 Actual	168,163	9,197	11,027	6,092
FY2013 Forecast	173,000	6,300	7,800	4,400
Increase/Decrease	+4,836	-2,897	-3,227	-1,692
Increase/Decrease (%)	+2.9	-31.5	-29.3	-27.8

Non-consolidated

(Announced on May 15,2013)

(millions of yen)

	Sales	Operating Income	Ordinary Income	Net Income
FY2012 Actual	145,275	6,399	9,446	4,995
FY2013 Forecast	148,000	3,400	6,400	3,900
Increase/Decrease	+2,724	-2,999	-3,046	-1,095
Increase/Decrease (%)	+1.9	-46.9	-32.3	-21.9

Forecasts and Actual Results by Business Segment

(millions of yen)

		Actual FY2012 2nd Half Operating Income on Sales (%)		Forecast FY2013 2nd Half (Full Year Forecast – 1st Half Actual) Operating Income on Sales (%)		Increase/Decrease (%)	
Clean & Care Group	Sales	54,862	—	56,076	—	+1,214	+2.2%
	Operating Income	7,063	12.9%	5,487	9.8%	-1,576	-22.3%
Food Group	Sales	26,034	—	28,100	—	+2,066	+7.9%
	Operating Income	662	2.5%	444	1.6%	-218	-32.9%
Other Businesses	Sales	5,176	—	5,513	—	+337	+6.5%
	Operating Income	19	0.4%	-59	-1.1%	-78	-410.5%
Eliminations/ Corporate	Operating Income	-3,299	—	-3,922	—	-624	—
Total (Consolidated)	Sales	86,074	—	89,689	—	+3,615	+4.2%
	Operating Income	4,445	5.2%	1,948	2.2%	-2,497	-56.2%

Dividends



FY2013 Dividends

■ Duskin 50th Anniversary Commemorative Dividends

The Company plans to pay a commemorative dividend of 20 yen per share for the FY 2013.

Dividends per share (yen)	FY2011 Actual	FY2012 Actual	FY2013 Forecasts
End of 2 nd Quarter	—	20	40 (ordinary 20 yen + commemorative 20 yen)
Year-end	40	20	20 (ordinary 20 yen)
Total (annual)	40	40	60 (ordinary 40 yen + commemorative 20 yen)
Total dividends (millions of yen)	2,571	2,547	3,754
Consolidated dividend ratio (%)	56.3	41.8	85.3

※ Consolidated dividend ratio is calculated per share.

Reference



Non-consolidated

(millions of yen)

	Six months ended Sept. 30, 2012	Six months ended Sept. 30, 2013	Increase/Decrease		Reference FY 2012 ended Mar. 31, 2013
			Amount	%	
Sales	70,841	70,777	-64	-0.1	145,275
Operating Income	3,095	2,771	-324	-10.5	6,399
Operating income on sales (%)	(4.4)	(3.9)	(-0.5)	—	(4.4)
Ordinary Income	5,009	4,799	-210	-4.2	9,446
Ordinary income on sales (%)	(7.1)	(6.8)	(-0.3)	—	(6.5)
Net Income	2,839	3,133	294	10.4	4,995
Net income on sales (%)	(4.0)	(4.4)	(0.4)	—	(3.4)

Customer-Level Sales by Businesses

Increase/Decrease

	Six months ended Sept. 30, 2012	Six months ended Sept. 30, 2013	Increase/Decrease %		FY2012 ended Mar. 31, 2013
Clean & Care Group	136,859	137,838	+979	+0.7	274,666
Dust Control (Domestic) Home Service	51,032	50,829	-204	-0.4	103,235
Business Service	49,420	49,008	-412	-0.8	98,529
Care Service	21,932	22,924	+992	+4.5	43,680
(ServiceMaster)	(12,657)	(13,144)	(+487)	(+3.8)	(25,254)
(Merry Maids)	(4,274)	(4,537)	(+263)	(+6.2)	(9,149)
(Terminix)	(3,953)	(4,118)	(+165)	(+4.2)	(7,266)
(TruGreen)	(1,048)	(1,125)	(+77)	(+7.3)	(2,011)
Health & Beauty	1,546	1,531	-15	-1.0	2,987
Azare Products	2,281	2,066	-216	-9.4	4,634
Home Instead	1,084	1,066	-18	-1.7	2,161
Rent-All	7,525	8,315	+790	+10.5	15,469
Uniform Service	1,293	1,396	+103	+8.0	2,583
Drink Service	746	703	-43	-5.8	1,388
Food Group	53,407	50,819	-2,588	-4.8	115,484
Mister Donut (Domestic)	51,123	49,090	-2,033	-4.0	111,125
Food Chain	1,273	812	-461	-36.2	2,424
The Don	1,011	917	-95	-9.4	1,935
Other Businesses	9,812	11,608	+1,796	+18.3	21,344
Dust Control (Overseas) (Jan. – Jun.2013)	1,007	1,447	+439	+43.6	2,364
Mister Donut (Overseas) (Jan. – Jun.2013)	5,388	6,586	+1,198	+22.2	12,066
Duskin Healthcare	3,417	3,576	+159	+4.7	6,914
Total	200,078	200,265	+187	+0.1	411,494

*The above figures are pro forma amounts based on the amount of products shipped, and have been calculated for reference purposes only. These figures may vary from those given in previous presentation materials, due to changes in the grouping/classification of the related businesses.

Business Summary by Segment

FY2012

Consolidated Sales: 168,100 million yen

Operating Income: 9,100 million yen

Clean & Care Group

(millions of yen)

Sales	109,000
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Operating Income	14,300
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* Sales associated from:

- 1) Sales of merchandise, rental products and equipment & chemicals to franchisees.
- 2) Royalty fee (Dust control does not collect a royalty fee)
- 3) Sales of company-operated shops

Home Service

Business Service

Dust Control

Offering products such as dust control mops and mats, range filters, water purifiers, air purifiers, and rest-room use items to help make houses and workplaces more pleasant.

Care Service (Technical Service)

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

Health & Beauty

Cosmetics & Health food

Home Instead

Senior care service

Rent-All

Daily items & assisted living equipment

Uniform Service

Rental & Cleaning

Drink Service

Coffee & water

Food Group

(millions of yen)

Sales	48,800
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Operating Income	1,100
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* Sales associated from:

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

Mister Donut

Operating specialty shops offering hand-made fresh donuts, Yum cha and drinks.

Food Chain

Katsu & Katsu

-Pork cutlet restaurant chain

Café Du Monde

-Café au Lait & Beignet

MOSDO

-Collaborated shop with MOS FOOD SERVICES, INC.

Don Co., Ltd.

The Don - A variety of donburi with fresh seafood and seasonal ingredients.

Other Businesses

(millions of yen)

Sales	10,300
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Operating Income	200
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* Sales associated from:

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

Duskin Healthcare Co., Ltd.

Hygiene control services for medical facilities

Duskin Kyoeki Co., Ltd.

Leasing business

Insurance agent

Overseas businesses, others

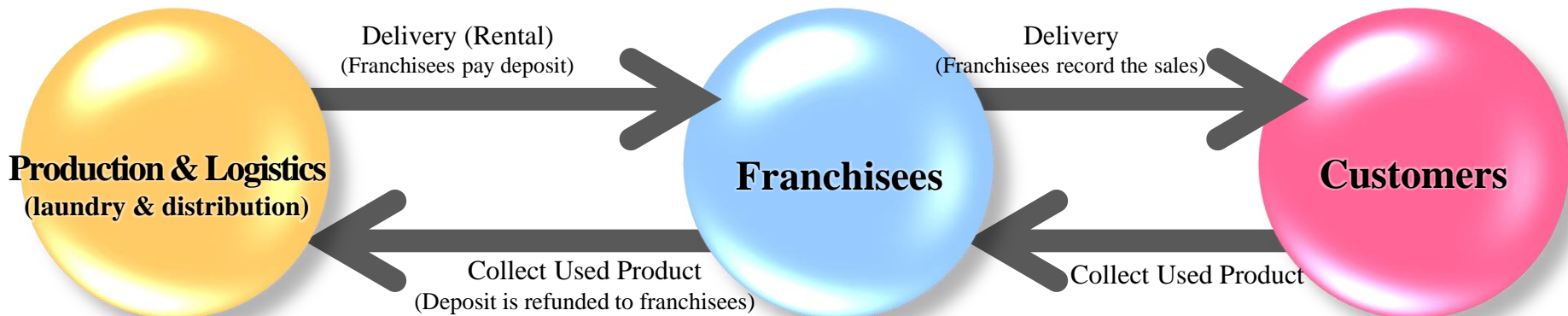
Operating Dust Control & Mister Donut in overseas market

Duskin Hong Kong Co., Ltd.

* Business segments as of April 1, 2013.

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:	13
Franchised plants:	32
Total Plants:	45

Company owned & Subsidiary units:	71
Franchised Units:	2,100
Operation Units:	2,200

Sales Representatives:	65,000
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Residential Customers:	5.5 million
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Commercial Customers:	1.3 million
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Strength 1: Production, logistics and distribution system that covers the nation

Competition is minimal in this business field. To establish this recycle-oriented business model to cover the nation, a large investment is required to build the laundry plant system, to purchase materials for rental products, and to create a nationwide sales organization.

Strength 2: Strong customer-base

A large customer base that facilitates face-to-face sales activities and includes extensive relationships between sales staff members and loyal residential customers.