

Six-month Period Ended Sept. 30, 2014

Financial Report

Duskin Co., Ltd.
November 7, 2014



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Six-month Period Ended Sept. 30, 2014

Financial Summary



Consolidated Results

(millions of yen)

	Six months ended Sept. 30, 2013	Six months ended Sept. 30, 2014	Increase/Decrease		Reference FY2013 ended Mar. 31, 2014
			Amount	%	
Sales	83,310	83,631	+321	+0.4	167,745
Operating Income	4,351	1,858	- 2,492	-57.3	6,641
Operating Income on Sales (%)	(5.2%)	(2.2 %)	(-3.0)	—	(4.0 %)
Ordinary Income	5,327	2,815	- 2,512	- 47.2	8,322
Ordinary Income on Sales (%)	(6.4 %)	(3.4 %)	(-3.0)	—	(5.0 %)
Net Income	3,059	1,469	- 1,589	- 52.0	4,448
Net Income on Sales (%)	(3.7 %)	(1.8 %)	(-1.9)	—	(2.7 %)

Consolidated Sales

■ Sales - 2nd half
■ Sales - 1st half

(millions of yen)

250,000

200,000

150,000

100,000

50,000

0

177,320

89,520

87,800

Mar. 2011

171,118

85,718

85,399

Mar. 2012

168,163

86,074

82,088

Mar. 2013

167,745

84,434

83,310

Mar. 2014

[Forecast]

170,500

[Forecast]

86,868

83,631

Mar. 2015

Consolidated Sales

83,631 million yen 321 million yen (0.4%) increase

« Major Factor contributing to sales »

Sales of Chugai Sangyo Co., Ltd., included in the total sales, starting in FY2014 1Q
Approx. 700 mil. yen



82,888 million yen 421 million yen (0.5%) decrease

Consolidated sales excluding
Chugai Sangyo

(millions of yen)

Sales by segment	Six months ended Sept. 30, 2013	Six months ended Sept. 30, 2014	Increase/decrease	
				%
Clean & Care Group	55,023	54,137	-885	-1.6%
Food Group	22,999	24,187	+1,187	+5.2%
Other Businesses	5,286	5,306	+19	+0.4%
Total (Consolidated)	83,310	83,631	+321	+0.4%

Consolidated Operating Income

(millions of yen)

20,000

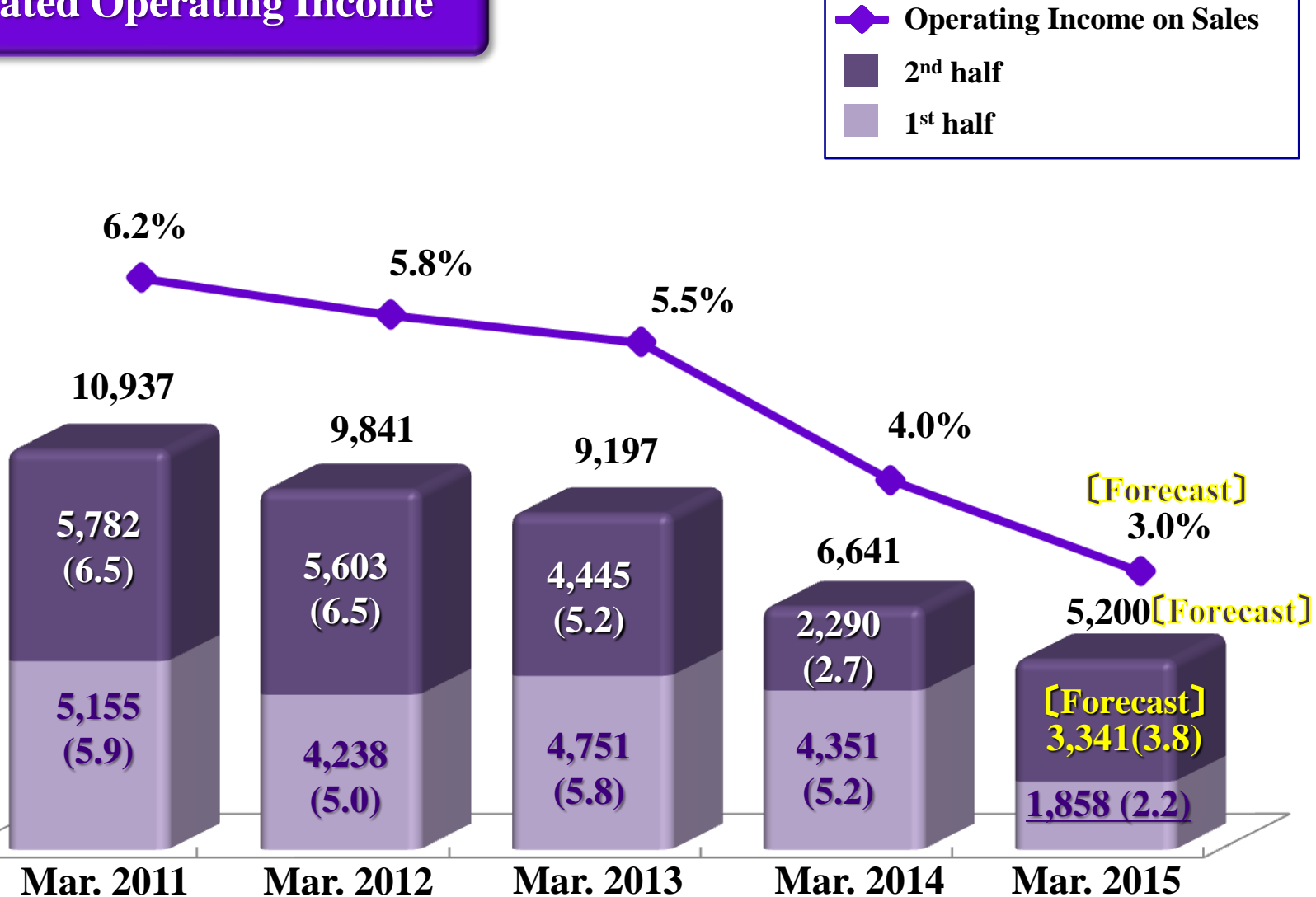
16,000

12,000

8,000

4,000

0



Consolidated Operating Income

1,858 million yen **2,492 million yen (57.3%) decrease**

《 Major factors contributing to increase and decrease 》

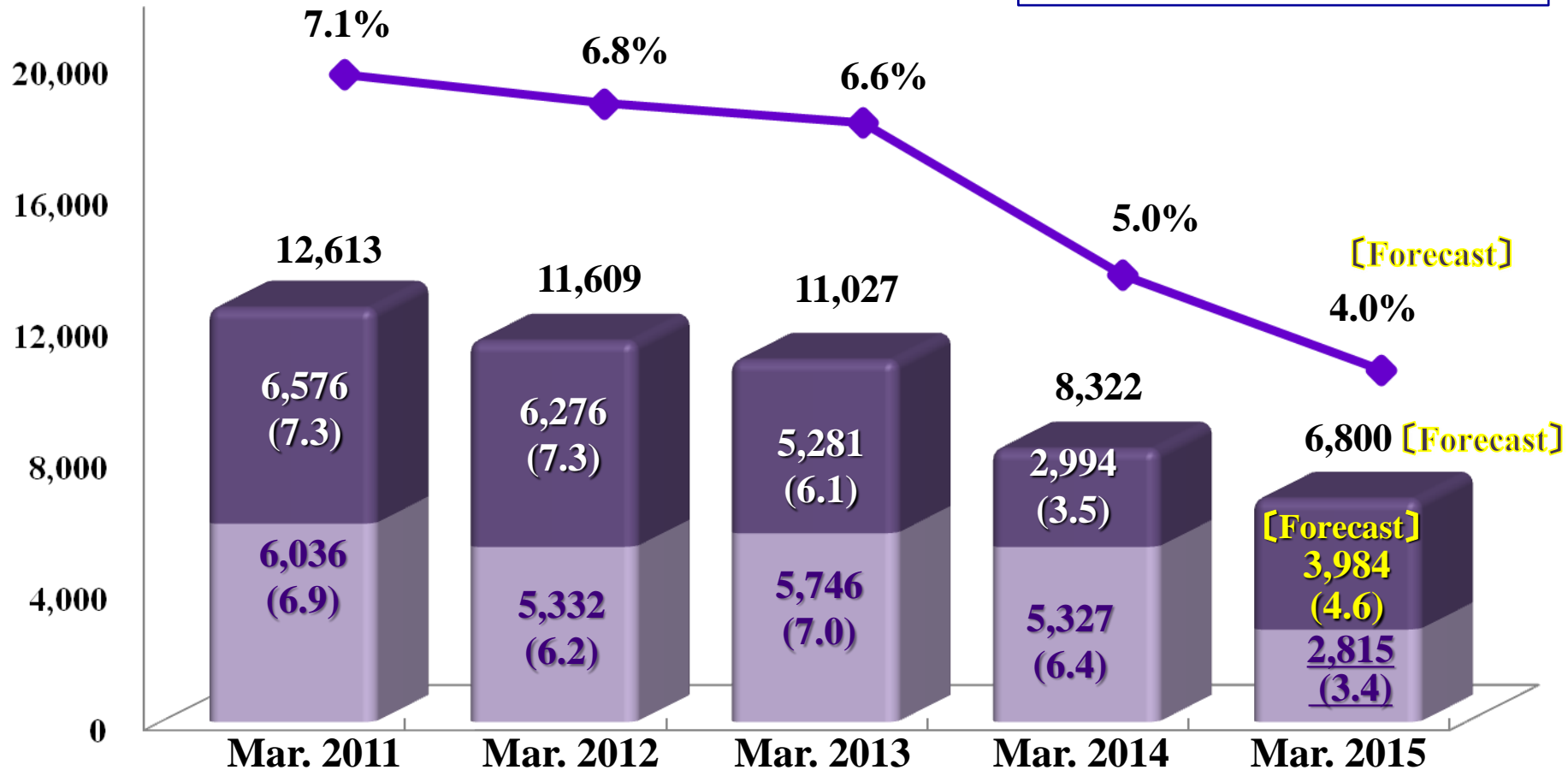
- Clean & Care Group •••Up-front costs for Style Cleaner , Expenses for the50th Anniversary Regional Conventions
 Food Group •••Increased expenses related to point card program and waste disposal expenses
 Eliminations/ Corporate •••Decreased labor expenses (Actuarial losses on retirement benefit obligations)

(millions of yen)

Operating Income by Segment	Six months ended Sept. 30, 2013	Six months ended Sept. 30, 2014	Increase/decrease	
	Operating Income Margin (%)	Operating Income Margin (%)		%
Clean & Care Group	7,512 (13.7%)	5,097 (9.4%)	- 2,415	- 32.2% (- 4.2)
Food Group	-144 (- 0.6%)	- 485 (- 2.0%)	- 341	- (- 1.4)
Other Businesses	209 (4.0%)	154 (2.9%)	- 55	- 26.3% (- 1.1)
Eliminations/ Corporate	- 3,227	- 2,907	+319	-
Total (Consolidated)	4,351 (5.2%)	1,858 (2.2%)	- 2,492	- 57.3% (- 3.0)

Consolidated Ordinary Income

(millions of yen)



Consolidated Ordinary Income

2,815 million yen **2,512 million yen (47.2%) decrease**

◀ Major factors contributing to increase & decrease ▶

1. Operating income **-2,500 million yen**2. Non-operating income/loss **- 0 million yen**

- Financial income and expenditure -0 million yen
- Other non-operating income -1 million yen
- Decreased equity in loss of affiliates +1 million yen
- Other non-operating expenses +0 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)

12,000

10,000




8,000

6,000

4,000

2,000

0

-  Net Income on Sales
-  2nd half
-  1st half

3.0%

2.7%

3.6%

2.7%

[Forecast]
2.2%

5,248

4,583

6,092

4,448

[Forecast]

2,624
(2.9)1,717
(2.0)3,124
(3.6)1,389
(1.6)3,800
[Forecast]
2,330
(2.7)2,624
(3.0)2,866
(3.4)2,967
(3.6)3,059
(3.7)1,469
(1.8)

Mar. 2011

Mar. 2012

Mar. 2013

Mar. 2014

Mar. 2015

Consolidated Net Income

1,469 million yen **1,589 million yen (52.0%) decrease**

《 Major Factors contributing to increase & decrease 》

1. Ordinary income **-2,500 million yen**

2. Extraordinary loss and income **-0 million yen**

- Total extraordinary income +0 million yen
- Increase in loss on abandonment of noncurrent assets -100 million yen
- Other extraordinary losses +0 million yen

3. Decreased tax expenses **+1,000 million yen**

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

Consolidated Balance Sheet

(millions of yen)

	FY2013 ended Mar. 31, 2014	Six months ended Sept. 30, 2014	Increase/ decrease	Major Factors
Current asset	53,489	56,417	+2,927	Cash and deposits -5,600 mil. yen Securities +7,500 mil. yen Merchandise and finished goods +1,400 mil. yen Deferred tax assets -100 mil. yen
Property, plant and equipment/ Intangible assets	61,115	60,578	-537	
Investments and other assets	88,173	77,405	- 10,768	Investment securities -9,300 mil. yen Deferred tax assets -800 mil. yen Guarantee deposits -400 mil. yen
Total assets	202,778	194,401	- 8,377	—
Current and non-current liabilities	50,875	40,865	- 10,010	Notes and accounts payable - trade -600 mil. yen Provision for bonuses -400 mil. yen Provision for point card certificates -300 mil. yen Accounts payable-other -1,100 mil. yen Guarantee deposit received for rental products-CL -200 mil. yen Net defined benefit liability -6,700 mil. yen
Net assets	151,903	153,536	+1,633	Valuation difference on available-for-sale securities +1,400 mil. yen Remeasurement of defined benefit plans +100 mil. yen
Total liabilities and net assets	202,778	194,401	- 8,377	—
Debt with interests	243	151	- 91	

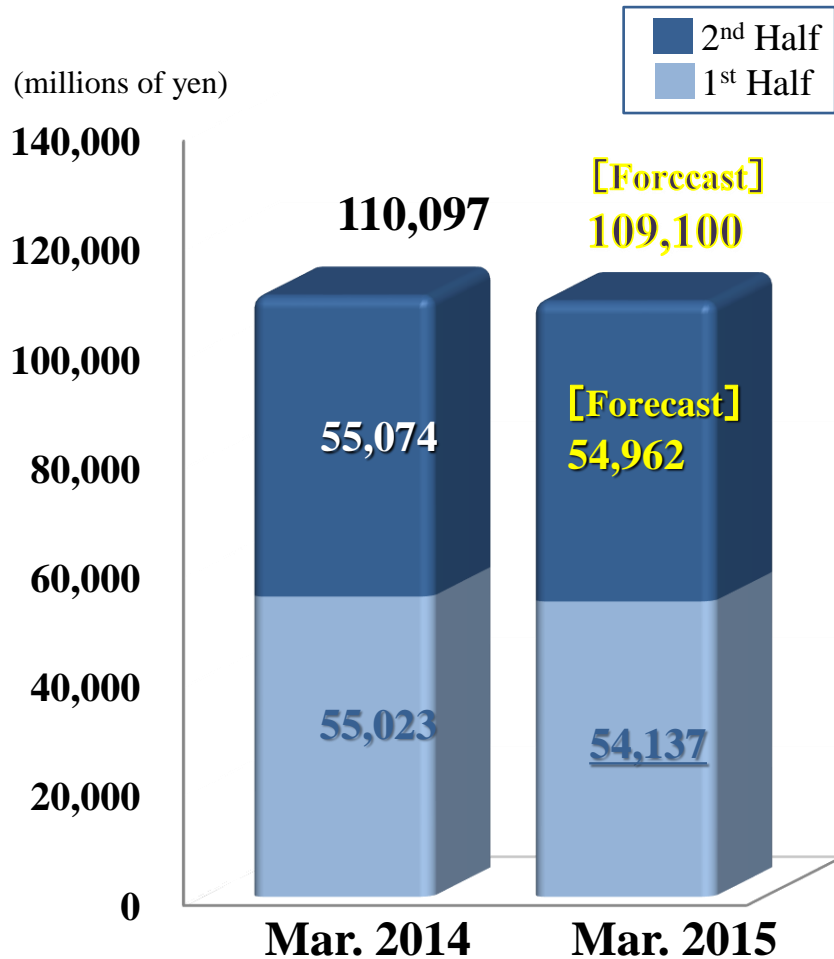
Summary by Business Segment



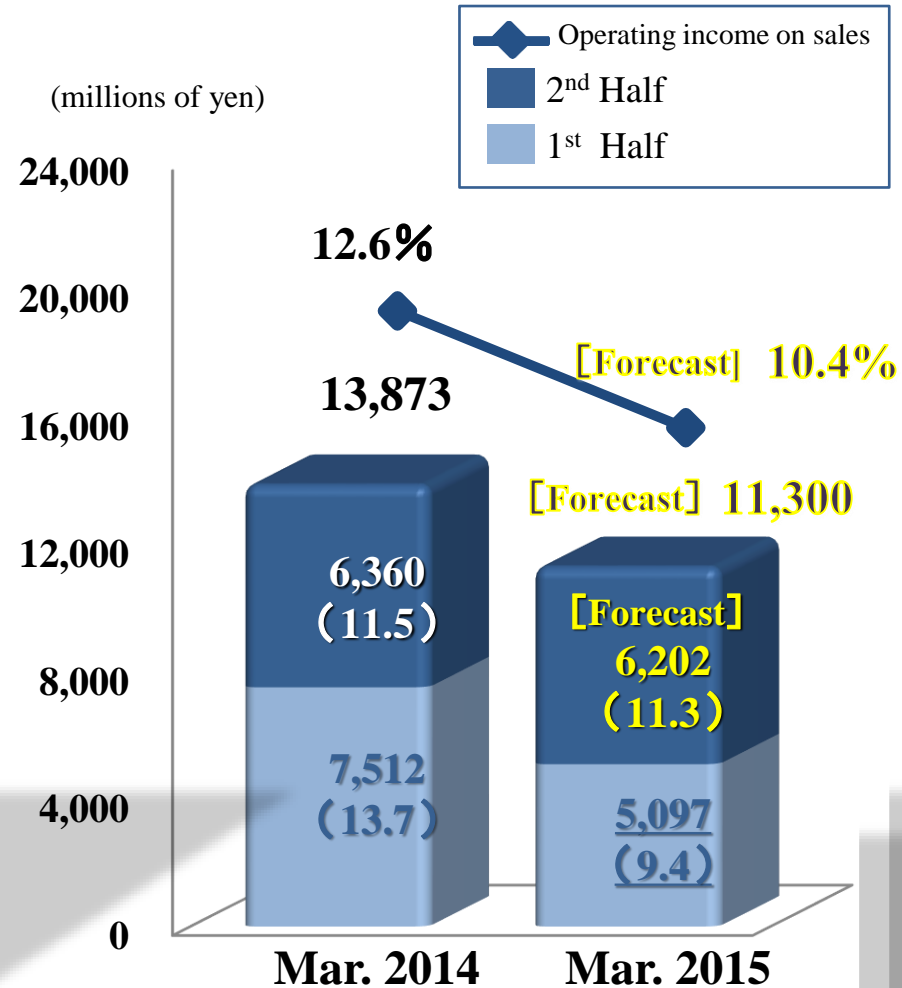
(millions of yen)

		FY2013		Six months ended Sept. 30, 2013		Six months ended Sept. 30, 2014		Change	
		Operating Income on Sales (%)		Operating Income on Sales (%)		Operating Income on Sales (%)		(%)	
Clean & Care Group	Sales	110,097	—	55,023	—	54,137	—	-885	-1.6
	Operating Income	13,873	12.6	7,512	13.7	5,097	9.4	-2,415	-32.2
Food Group	Sales	47,018	—	22,999	—	24,187	—	+1,187	+5.2
	Operating Income	-410	-0.9	-144	-0.6	-485	-2.0	-341	—
Other Businesses	Sales	10,628	—	5,286	—	5,306	—	+19	+0.4
	Operating Income	243	2.3	209	4.0	154	2.9	-55	-26.3
Eliminations/ Corporate	Operating Income	-7,064	—	-3,227	—	-2,907	—	+319	—
Consolidated	Sales	167,745	—	83,310	—	83,631	—	+321	+0.4
	Operating Income	6,641	4.0	4,351	5.2	1,858	2.2	-2,492	-57.3

Sales



Operating Income



Sales

(millions of yen)	Previous term	Current term	Change	%
Segment Sales (1)	55,023	54,137	-885	-1.6
Chugai Sangyo (2)	—	743	+743	—
Sales (1)-(2)	55,023	53,394	-1,629	-3.0

Residential Market

- “Try-Me Festival” promotion events and other sales activities were less intensive than in the previous year, our 50th anniversary.

<Dust control product sales: Actual and previous term comparison>

1Q	-6.1%	2Q	-4.1%	1 st Half	-5.1%
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- *Cleaning Basic Three* was well-received.

<Rental sales of *LaLa*, *shushu* & *Cleaning Basic Three*: : Actual and previous term comparison >

1Q	+8.8%	2Q	+8.4%	1 st Half	+8.6%
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<Rental sales of *Dust Cleaner* and *Style Cleaner*: Actual and previous term comparison>

1Q	+23.1%	2Q	+21.4%	1 st Half	+22.2%
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- Technical services continued to grow, but with lower growth rate.

<Sales by service: Actual and previous term comparison> Total +2.8% (1st Half of FY2013: +7.9%)

ServiceMaster +2.9%	Merry Maids +4.1%	Terminix -4.8%	TruGreen +4.3%
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Sales

Commercial Market

● Stagnant sales of mat products, the core products

Thin-type dust control & water absorption mat	+145.2%	Other general-purpose mats	-4.7%	Custom-made mats	+0.0 %	Total	-1.1%
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● Restroom-related products

Paper towel & toilet paper	-4.8%	Cabinet Towel	-9.0%	Others	-5.6%	Total	-5.9%
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● Sluggish sales of technical services

<Customer-level sales by service: Actual and previous term comparison > Total -0.3% (1st Half of FY 2013: +1.1%)

ServiceMaster	-0.5%	Facility Management	-28.6%	Terminix	+ 0.8%	TruGreen	+12.4%
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Others

● Rent-All

<Customer-level sales >

Rent-All	+9.3%	Health Rent	+7.7%	Total	+8.7%
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Operating Income

(millions of yen)	Previous term	Current term	Change	%
Operating Income (1)	7,512	5,097	-2,415	-32.2
Chugai Sangyo (2)	—	23	+23	—
Operating Income (1)-(2)	7,512	5,073	-2,439	-32.5

1. Gross profit decreased due to lower income
2. Up-front costs for Style Cleaner

➤ Gross profit decreased due to lower sales. -800 million yen

➤ Gross profit decreased due to increased cost rate. -1,400 million yen

- Decreased cost for Dust Cleaner (old model) +200 million yen
- Increased cost for Style Cleaner (new model) -1,300 million yen
- Impact of fuel price increase -100 million yen
- Others -200 million yen

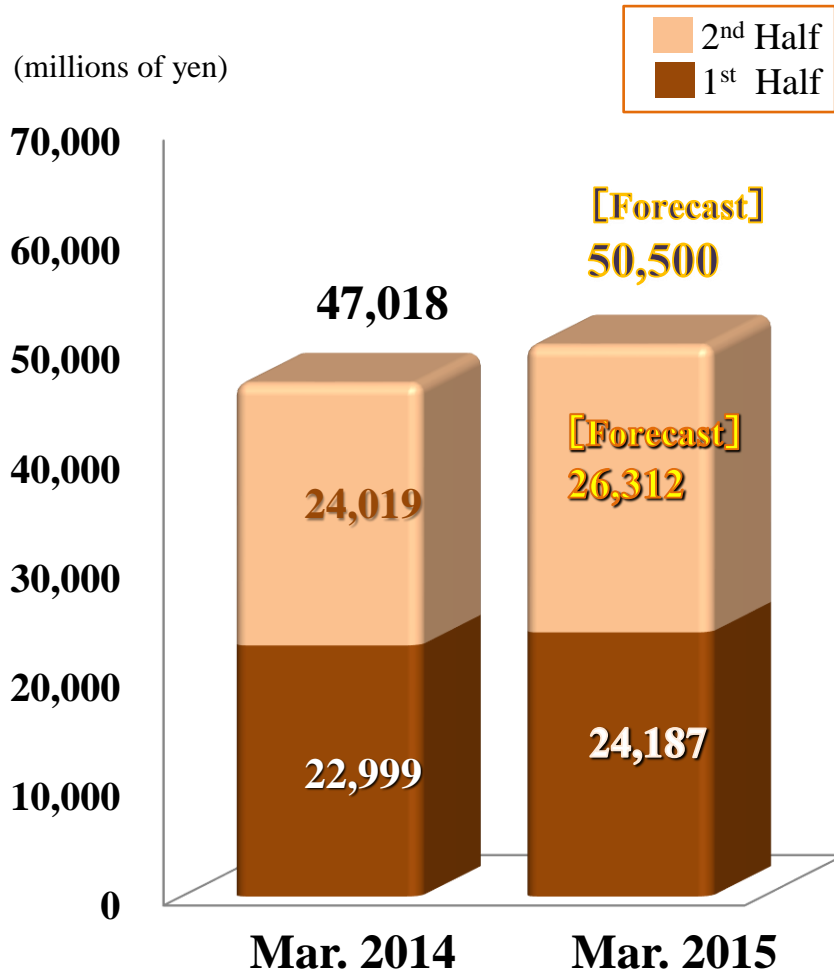
➤ Operating income decreased due to increased expenses. -200 million yen

- Expenses for the 50th Anniversary Regional Convention -200 million yen

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

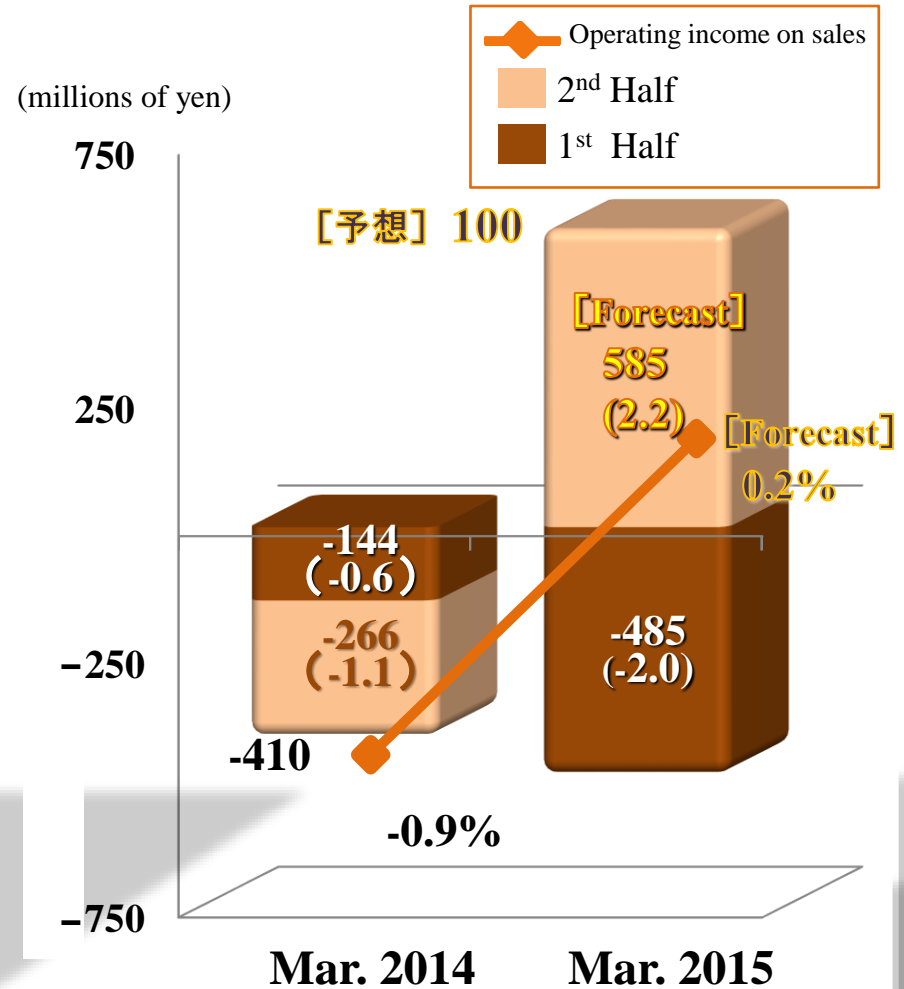
Sales

(millions of yen)



Operating Income

(millions of yen)



Sales

(millions of yen)	Previous term	Current term	Change	%
Segment Sales	22,999	24,187	+1,187	+5.2

● Mister Donut

Product Development Policy

- Respond to the bipolarization of consumer preferences
 - Lower priced products- waff
 - Higher-priced products - *Mister Croissant Donut*
Cotton Snow Candy
- Collaboration with other companies
 - MOSDO - the third product line
 - Calpico donuts

Promotion

• MISDO Summer - Cool Resort

- For a limited time only, eight shops reopened with a new design in a refreshingly cool blue.
- Extra Ryofu-men
- Featuring Masaki Aiba of a popular idol group, Arashi
- Opened an official account in LINE

<Customer-level sales : Actual and previous term comparison excluding shops opened during the current term >

1Q	2Q	1st Half
+4.1%	+2.1%	+3.1%



Operating Income

(millions of yen)	Previous term	Current term	Change	%
Operating Income	-144	-485	-341	—

1. Gross profit increased due to increased sales
2. Increased cost rate due to valuation loss on raw materials and waste disposal expenses
3. Significant impact of expenses related to MISDO Club point card, which was discontinued at the end of September, 2013.

➤ Increase in gross profit due to sales increase +400 million yen

➤ Decrease in gross profit due to increased cost rate -200 million yen

● Increase in valuation loss on raw materials and waste disposal expenses -400 million yen

● Impact of improved cost rate due to sales increase of promotional items along with restart of MISDO Card Campaign +200 million yen

➤ Decrease in operating income due to increased expenses -500 million yen

● No contributions receivable to MISDO point card program fund -600 million yen

● Increase in freight cost due to unit price increase of shipping charges -200 million yen

● Decrease in labor and other expenses +300 million yen

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

Other Businesses

(millions of yen)	Previous term	Current term	Change	%
Segment Sales	5,286	5,306	+19	+0.4
Operating Income	209	154	-55	-26.3

Overseas consolidated subsidiaries recorded higher sales due to weaker yen.

● Overseas consolidated subsidiaries

- Duskin Hong Kong, which procures and supplies raw materials, recorded higher sales due to higher volume of paper towels and the weaker yen.
- Mister Donut Korea closed underperforming shops, resulting in lower sales due to smaller number of shops.

	Mar. 2013	Mar. 2014	Change
Number of shops	43	19	-24

- Dust control business in Shanghai recorded lower income mainly due to higher expenses (promotions focused on new residential customers).

● Other Businesses

- Duskin Healthcare, which provides management services to medical facilities, recorded lower sales due to the cancellation of a large account.
- Duskin Kyoeki, a leasing and insurance company, posted same level sales as in the same period of the previous year.

Eliminations/ Corporate

(millions of yen)	Previous term	Current term	Change	%
Operating Income	-3,227	-2,907	+319	—

● Corporate

- Decreased labor cost (actuarial losses on retirement benefit obligations)

Overseas Businesses

➤ Customer-level sales

		Jan. – June 2013	Jan. – June 2014	Change (%)
Clean & Care Businesses	Taiwan (thousands of NTD)	397,811	418,886	+21,075 (+5.3%)
	Shanghai (thousands of CNY)	6,978	7,571	+592 (+8.5%)
	South Korea (millions of KRW)	288	299	+11 (+3.7%)
Mister Donut Businesses	Taiwan (thousands of NTD)	298,276	359,424	+61,148 (+20.5%)
	Shanghai (thousands of CNY)	14,714	11,348	-3,366 (-22.9%)
	South Korea (millions of KRW)	6,091	2,578	-3,513 (-57.7%)

Forecasts and Actual Results



Consolidated

*Change from forecast for the first half announced on May 14, 2014
 (millions of yen)

	Sales	Operating Income	Ordinary Income	Net Income
Forecast (May 14)	83,500	2,100	3,000	1,500
Actual	83,631	1,858	2,815	1,469
Difference (%)	+131(+0.2)	-241(-11.5)	-184(-6.2)	-30(-2.0)

Sales: Major factors contributing to the difference

▪Clean & Care Group	[Dust Control (Residential) -900 million yen, Azare Cosmetics -300 million yen]	-1,500 million yen
▪Food Group	[Mister Donut +1,400 million yen]	+1,700 million yen
▪Other Businesses	[Duskin Healthcare -100 million yen]	-100 million yen

Operating income: Major factors contributing to the difference

▪Clean & Care Group	Lower gross profit due to lower sales Cost of Style Cleaner	-200 million yen -500 million yen	-800 million yen
▪Food Group	[Mister Donut recorded higher gross profit due to higher sales.	+200 million yen	+200 million yen
▪Other Businesses	[Overseas consolidated subsidiaries recorded higher gross profit due to higher sales.	+100 million yen	+100 million yen
▪Eliminations/Corporate	[Lower labor and other expenses.	+200 million yen	+200 million yen

Major factors contributing to the difference from the revised forecasts announced on Sept. 25

- Operating income (250 million yen higher)
 - Transit transactions of overseas subsidiaries: +100 million yen, and other expenses to be recorded in the 2nd Half
- Ordinary income (420 million yen higher)
 - Higher operating income, decrease in allowance for doubtful accounts +100 million yen

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

FY 2014 Forecasts



Consolidated

(millions of yen)

	Sales	Operating Income	Ordinary Income	Net Income
FY 2013 Actual	167,745	6,641	8,322	4,448
FY 2014 Forecast (May 14)	173,000	6,800	8,300	4,700
FY 2014 Revised Forecast (Sept.25)	170,500	5,200	6,800	3,800
FY2013 – Revised Forecast (%)	+2,754 (+1.6%)	-1,441 (-21.7%)	-1,522 (-18.3%)	-648 (-14.6%)
Forecast – Revised Forecast (%)	-2,500 (-1.4%)	-1,600 (-23.5%)	-1,500 (-18.1%)	-900 (-19.1%)

Non-consolidated

(millions of yen)

	Sales	Operating Income	Ordinary Income	Net Income
FY 2013 Actual	142,589	3,702	6,795	3,914
FY 2014 Forecast (May 14)	147,000	4,200	7,200	4,400
FY 2014 Revised Forecast (Sept.25)	144,300	2,700	5,600	3,400
FY2013 – Revised Forecast (%)	+1,710 (+1.2%)	-1,002 (-27.1%)	-1,195 (-17.6%)	-514 (-13.1%)
Forecast – Revised Forecast (%)	-2,700 (-1.8%)	-1,500 (-35.7%)	-1,600 (-22.2%)	-1,000 (-22.7%)

By Business Segment

Change from forecast

(millions of yen)

		FY 2014 Forecast		Major factors	FY 2014 Revised Forecast	
		Operating Income (%)			Operating Income (%)	
Clean & Care Group	Sales	112,100	—	Dust Control -3,000, Azare Cosmetics -600 Rent-All and others +300, Chugai Sangyo +300	109,100	—
	Operating Income	13,200	11.8	Impact of downward revision of sales: -1,400, Increased cost of Style Cleaner: -1,100, Cost reduction: +600	11,300	10.4
Food Group	Sales	50,000	—	Mister Donut +500 (2 nd Half -900)	50,500	—
	Operating Income	100	0.2	Impact of upward revision of sales: +200, Increased loss on abandonment of inventories: -300, Higher shipping cost: -500, cost reduction: +600	100	0.2
Other Businesses	Sales	10,900	—	—	10,900	—
	Operating Income	50	0.5	Cost reduction +100	150	1.4
Eliminations / Corporate	Operating Income	-6,550	—	Cost reduction, expenses to be recorded next fiscal year +200	-6,350	—
Consolidated	Sales	173,000	—	-2,500	170,500	—
	Operating Income	6,800	3.9	-1,600	5,200	3.0

Forecasts for 2nd Half by Segment

*Compared to the previous term

(millions of yen)

		FY 2014 Forecast		Actual FY 2013 2 nd Half		Forecast FY 2014 2 nd Half (Full Year Forecast - 1 st Half Actual)		Change	
		Operating Income on Sales (%)		Operating Income on Sales (%)		Operating Income on Sales (%)		Change (%)	
Clean & Care Group	Sales	109,100	—	55,074	—	54,962	—	-111	-0.2
	Operating Income	11,300	10.4	6,360	11.5	6,202	11.3	-158	-2.5
Food Group	Sales	50,500	—	24,019	—	26,312	—	+2,293	+9.5
	Operating Income	100	0.2	-266	-1.1	585	2.2	+852	—
Other Businesses	Sales	10,900	—	5,341	—	5,593	—	+251	+4.7
	Operating Income	150	1.4	33	0.6	-4	-0.1	-38	-113.0
Eliminations/ Corporate	Operating Income	-6,350	—	-3,837	—	-3,442	—	+395	—
Consolidated	Sales	170,500	—	84,434	—	86,868	—	+2,433	+2.9
	Operating Income	5,200	3.0	2,290	2.7	3,341	3.8	+1,051	+45.9

Returns to Shareholders



Dividends

■ FY2014

Steady and continuous dividend distribution in line with basic policy
(20 yen lower compared to the previous year when a commemorative dividend was paid)

◀ Dividends per share (Actual & Forecasts) ▶

(yen)

	FY 2012	FY 2013	FY 2014
End of 2 nd Quarter	20	40 (Ordinary 20 yen + Commemorative 20 yen)	20
Year-end	20	20 (Ordinary 20 yen)	20
Total (annual)	40	60 (Ordinary 40yen + Commemorative 20 yen)	40
Total dividends (millions of yen)	2,547	3,734	2,443
Consolidated dividend ratio (%)	42.0	84.4	63.7

*Consolidated dividend ratio is calculated per share.

Repurchase of Company Stock

■ Announced on Oct. 31, 2014

- Nov. 4, 2014 280,400 shares
- Nov. 5, 2014 – Feb. 2, 2015 750,000 shares

Total number of outstanding shares	63,494,823
(Shares of treasury stock as of Sept. 30, 2014)	(1,916,267)
Shares of treasury stock as of Mar. 31, 2015 (projected)	2,946,667
	60,548,156

Reference



Non-consolidated

(millions of yen)

	Six months ended Sept. 30, 2013	Six months ended Sept. 30, 2014	Increase/Decrease		Reference FY 2013 ended Mar. 31, 2014
			Amount	%	
Sales	70,777	70,485	- 291	- 0.4	142,589
Operating Income	2,771	627	- 2,143	- 77.3	3,702
Operating income on sales (%)	(3.9%)	(0.9 %)	(-3.0)	—	(2.6%)
Ordinary Income	4,799	2,467	- 2,331	- 48.6	6,795
Ordinary income on sales (%)	(6.8 %)	(3.5 %)	(-3.3)	—	(4.8%)
Net Income	3,133	1,597	- 1,535	- 49.0	3,914
Net income on sales (%)	(4.4 %)	(2.3 %)	(-2.1)	—	(2.7%)

* The figures as of March 31, 2014 Business segments as of September 30, 2014

Clean & Care Group

(millions of yen)

Sales	110,000
Operating Income	13,800

* Sales associated from:

- 1) Sales of merchandise and rental products, equipment and chemicals to franchisees.
- 2) Royalty fee (no royalty fee collected at Dust Control)
- 3) Sales of company-operated shops

Home Service (Residential Market)

Business Service (Commercial Market)

Dust Control

- Periodic rental of 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.

Rent-All

- Event planning/ operation, rental of daily items & assisted living equipment

Health & Beauty

- Cosmetics & health food

Uniform Service

- Rental & cleaning

Drink Service

- Coffee & water

Home Instead

- Senior care service

Food Group

(millions of yen)

Sales	47,000
Operating Income	-400

* Sales associated from:

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

Mister Donut

- Mister Donut: Specialty shops offering hand-made fresh donuts
- MOSDO: Collaborated shop with MOS BURGER

Food Chain

- Katsu & Katsu: Pork cutlet restaurant chain
- Café Du Monde: Café au Lait & Beignet
- Bakery Factory: Suburban type large-scale bakery shop
- ICE DE LION: Ice cream shop

Don Co., Ltd.

- The Don: Specialty shops offering a variety of donburi with fresh seafood and seasonal ingredients
- Nihon no Gohan-Tei: Set meal restaurant

Other Businesses

(millions of yen)

Sales	10,600
Operating Income	200

* 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

Duskin Kyoeki Co., Ltd. and
Duskin Insurance Service Co.,
Ltd. merged on April 1, 2013.

Overseas Businesses

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

* As of September 30, 2014

Clean & Care Group

Home Service (Residential Market)

▪ Rent mops and mats through periodic visits

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

▪ Care Services (Technical services)

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

- Rent-All Event planning/ operation, rental of daily items & assisted living equipment
- Health & Beauty Cosmetics & health food
- Home Instead Senior care

Business Service (Commercial Market)

▪ Rent mops and mats through periodic visits

Dust Control	.....	Mops, mats, etc.
Clean Service	.....	Bathroom products
Air Clean	.....	Air-purifiers
Water Clean	.....	Water-purifiers
Wipeful Service	.....	Wiper cloth

▪ Care Services (Technical services)

ServiceMaster	.....	Professional cleaning
Terminix	.....	Pest control & prevention

- Uniform Service Rental and cleaning of uniforms
- Drink Service Water and coffee

Food Group

- Mister Donut Mister Donut
- MOSDO Collaborated shop with Mos Burger
- Food Chain
 - Café Du Monde Café au Lait & Beignet
 - Katsu & Katsu Pork Cutlet
 - Bakery Factory Suburban type large-scale bakery shop
 - ICE DE LION Ice cream shop
- The Don Seafood Donburi
- Nihon no Gohan-Tei Set Meal Restaurant

Other Business

- Services (sales) offered mainly to franchisees
 - Duskin Kyoeki Leasing business, insurance services
 - Duskin Healthcare Hospital management service
 - Overseas business Operating Dust Control & Mister Donut in overseas market
Duskin Hong Kong Co., Ltd.

CLS by Business

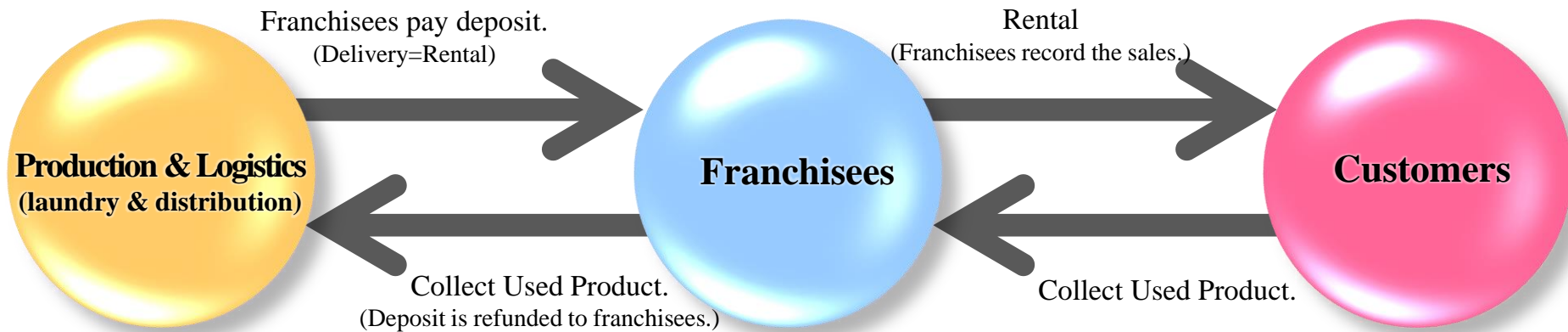
(millions of yen)

	Six months ended Sept. 30, 2013	Six months ended Sept. 30, 2014	Increase/ Decrease	%
Clean & Care Group	137,845	135,046	-2,799	-2.0%
Dust Control (Domestic) Home Service (Residential)	50,829	48,306	-2,522	-5.0%
Business Service (Commercial)	49,008	48,687	-321	-0.7%
Care Services (Technical services)	22,924	23,224	+300	+1.3%
(ServiceMaster)	(13,144)	(13,233)	(+89)	(+0.7%)
(Merry Maids)	(4,537)	(4,724)	(+187)	(+4.1%)
(Terminix)	(4,118)	(4,089)	(-29)	(-0.7%)
(TruGreen)	(1,125)	(1,178)	(+53)	(+4.8%)
Health & Beauty	1,531	1,412	-119	-7.8%
Azare Products	2,066	1,140	-926	-44.8%
Home Instead	1,066	1,069	+2	+0.2%
Rent-All	8,315	9,038	+723	+8.7%
Uniform Service	1,396	1,507	+110	+7.9%
Drink Service	709	663	-47	-6.6%
Food Group	50,819	52,365	+1,546	+3.0%
Mister Donut (Domestic shops including MOSDO)	49,124	50,620	+1,495	+3.0%
Food Chain	778	933	+154	+19.8%
The Don	917	813	-103	-11.3%
Other Businesses	11,608	11,748	+140	+1.2%
Dust Control (Overseas)	1,447	1,576	+129	+8.9%
Mister Donut (Overseas)	6,586	6,617	+31	+0.5%
Duskin Healthcare	3,576	3,555	-21	-0.6%
Total	200,272	199,159	-1,113	-0.6%

*Sales of overseas businesses indicated here are the total sales from January to June.

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:	78
Franchised Units:	2,000
Operation Units:	2,100

Sales representatives:
65,000

Residential customers:
5.5 million

Commercial customers:
1.3 million

as of April 1, 2014

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.