
AEON Delight Co., Ltd.



Financial Results for the First Half of
the Year Ending February 2008 (FY2007)



Contents

1. Financial Results for 1H FY2007

2. 2H Topics

3. Progress in the Medium-term Management Plan

Reference: Corporate Data

The following applies to the figures in this presentation unless otherwise specified.

- ◇ All figures are for consolidated results.
- ◇ Any figure of less than one million yen has been rounded down.
- ◇ Percentages have been rounded to the first decimal place.
- ◇ The company closes its books at the end of February.

The figures in this presentation are for the six-month period ended August 31, 2007 (1H FY2007).



1. Financial Results for 1H FY2007

Original forecast revised upward
AD Medium-term Management Plan on the right track

- ✓ **Net sales up 40% and ordinary income up 75% YoY following the merger**
- ✓ **With the subsequent organizational change, AD is now lean, mean, and strategy-oriented.**
- ✓ **Making inroads overseas to become a fully-fledged player in the global arena**

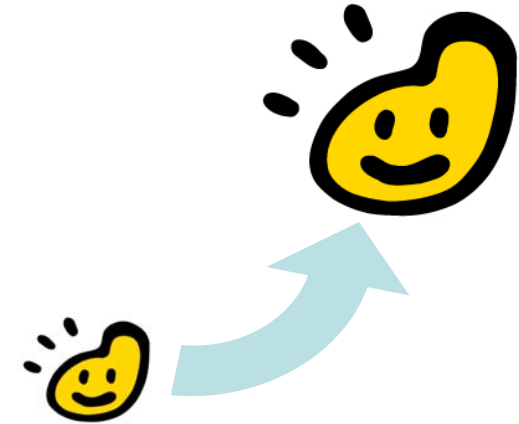


① Highlights

1. Medium-term Management Plan

Net sales of ¥200 billion

Ordinary income of ¥15 billion
in FY2010



2. Now lean and efficient following the first organizational change since the merger Smooth, seamless integration achieved

3. Doubled investment in training to reform the training program.

Develop skilled and hospitable “AD people”

② New Projects

1. Non-AEON Group (New)



2. AEON Group (New)



7 GMSs
19 SMs

3. AEON Group (Existing stores)



③ Business Expansion

1. No. 1 in Japan, AD goes overseas.

The Beijing Project begins



A wholly owned company to be established in Beijing to coincide with AEON MALL's new operations there
Project team sent to implement the project

2. Full-line services for commercial complexes of any size Business / capital tie-up with **A to Z Service Co.,Ltd.**



④ Returns to Shareholders

1. Shareholder special benefit plan introduced

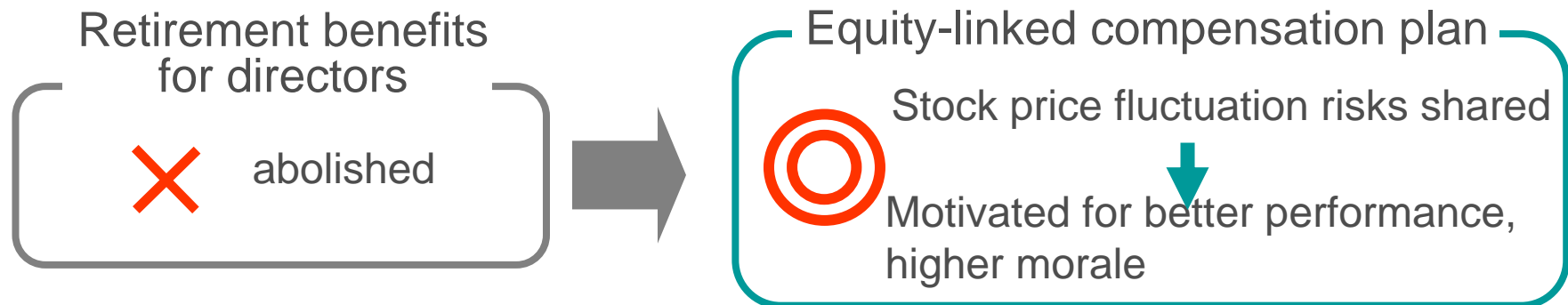
Record date: Last day of February

Eligibility: Shareholders who own 100 or more shares

Gifts: AEON vouchers or TOPVALU products
(free choice based on number of shares)

2. Sharing risks with shareholders

Stock option scheme for equity-linked compensation plan introduced



⑤ CSR

1. AEON DELIGHT to open a school in Laos (overseas)

One school to be built with contributions from the entire AEON Group

Via AEON 1% Club and UNICEF Japan



2. Cleaning up the neighborhood (community)

Midosuji, Sakaisuji



River cleanup day



⑥ Statement of Income (Summary)

Millions of Yen

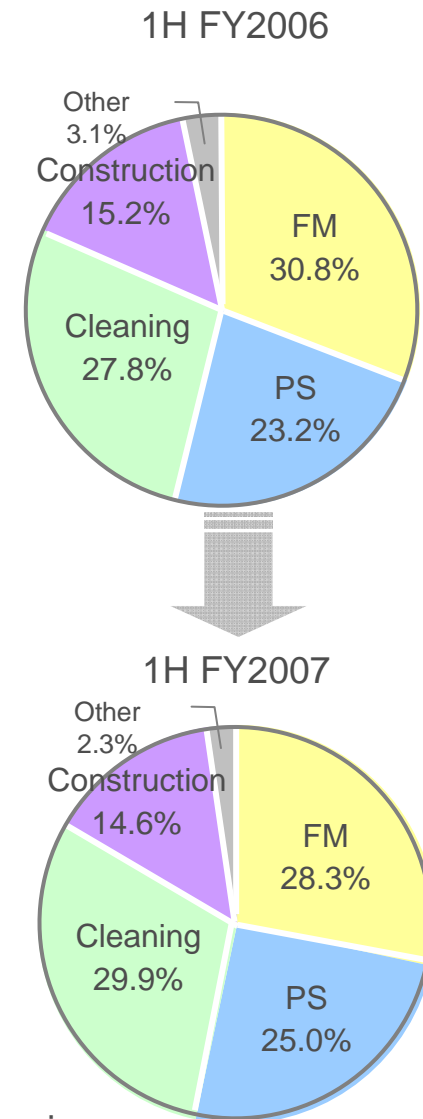
	Six-month period ended August 31,	Ratio to net sales (%)	Six-month period ended August 31,	Ratio to net sales (%)	YoY change (%)	Difference
Net sales	47,427	100.0	67,766	100.0	42.9	20,339
Operating income	2,206	4.7	3,935	5.8	78.4	1,729
Ordinary income	2,189	4.6	3,833	5.7	75.1	1,644
Net income	1,191	2.5	2,080	3.1	74.6	889

⑦ Segment Sales

◇ Brisk showings across the board, thanks to a greater emphasis on full-line services

Millions of Yen

	Six-month period ended August 31, 2006	Six-month period ended August 31, 2007	YoY change (%)	Difference
① Building Maintenance				
Facility Management (FM)	14,600	19,153	131.2	4,552
Preservation of Security (PS)	10,986	16,915	154.0	5,928
Cleaning	13,179	20,258	153.7	7,079
Construction	7,213	9,904	137.3	2,691
Building Maintenance Total	45,980	66,232	144.0	20,252
② Other				
Other Businesses	1,447	1,533	106.0	87
①+②	47,427	67,766	142.9	20,338



◇ “Other businesses” include land / building leases, technical training, and temp staff services.

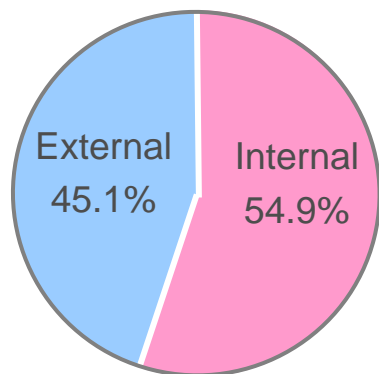
⑧ Internal / External Sales

◇ Internal sales faring well. External sales look promising.

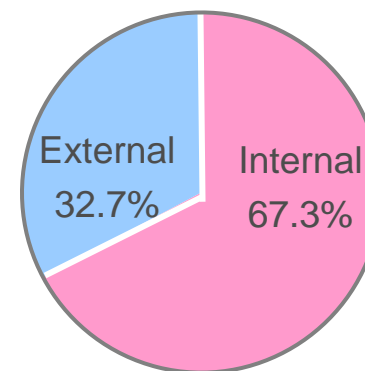
Millions of Yen

	Six-month period ended August 31, 2006	Six-month period ended August 31, 2007	YoY change (%)	Difference
Internal sales	26,020	45,596	175.2	19,575
External sales	21,407	22,169	103.6	762
①+②	47,427	67,766	142.9	20,339

1H FY2006



1H FY2007



⑨ Balance Sheets (Summary)

Millions of Yen

	Fiscal year ended February 28, 2007	Six-month period ended August 31, 2007	Difference		Fiscal year ended February 28, 2007	Six-month period ended August 31, 2007	Difference
Current assets	27,837	29,123	1,286	Current liabilities	21,447	23,250	1,802
Fixed assets	20,246	19,970	-276	Long-term liabilities	7,467	5,091	-2,376
Tangible fixed assets	2,026	1,990	-36	Total liabilities	28,915	28,341	-573
Intangible fixed assets	14,161	13,760	-401	Shareholders' equity	18,828	20,511	1,683
Investments and other assets	4,058	4,219	160	Valuation and translation adjustment	340	240	-99
Total Assets	48,084	49,094	1,009	Total net assets	19,169	20,752	1,583
				Total liabilities and net assets	48,084	49,094	1,009

10 Statements of Cash Flows

Millions of Yen

	Fiscal year ended February 28, 2007	Six-month period ended August 31, 2007	Difference
Cash flows from operating activities	1,680	2,711	1,031
Cash flows from investing activities	-13,426	-673	12,753
Cash flows from financing activities	11,021	-3,096	-14,117
Net increase (decrease) in cash and cash equivalents	-724	-1,058	-334
Cash and cash equivalents at beginning of period	10,194	9,469	-725
Cash and cash equivalents at end of first half	9,469	8,410	-1,059

Factors behind changes

Cash flows from operating activities

- Net income before income taxes
⇒ + ¥3,824 million
- Notes and accounts receivable
⇒ - ¥2,128 million
- Notes and accounts payable
⇒ + ¥1,295 million
- Income tax payment
⇒ - ¥1,401 million

Cash flows from investing activities

- Acquisition of tangible fixed assets (cleaning equip., etc.)
⇒ - ¥164 million
- Acquisition of intangible fixed assets (software)
⇒ - ¥124 million

Cash flows from financing activities

- Return of funds for liquidation of receivables
⇒ - ¥2,700 million
- Dividend payment
⇒ - ¥396 million

⑪ Profit Distribution (Projected dividend)

In line with original projection,
backed by brisk performance

	FY2006		FY2007 projection
	(1H)	(2H)	
Ordinary dividend	¥10	¥15 (Up ¥5)	¥30
Commemorative dividend	—	¥5	—
Annual dividend (total)	¥30		¥30

Please see the cover of the “(Consolidated) Financial Results for the Year Ending February 29, 2008 (dated April 4, 2007)” for the projected dividend payment for the year ending February 29, 2008.



2. *2H Topics*

① FY2007 Earnings Forecast

Millions of Yen

	Fiscal year ended February 28, 2007	Percentage to net sales	Fiscal year ending February 29, 2008 (revised forecast)	Percentage to net sales	YoY change	
					Amount	%
Net sales	111,170	100.0	132,000	100.0	20,830	118.7%
Operating income	5,576	5.0	7,550	5.7	1,974	135.4%
Ordinary income	5,485	4.9	7,400	5.6	1,915	134.9%
Net income	2,998	2.7	4,000	3.0	1,002	133.4%

② Overseas Strategies

- ① Linked to strategies of the AEON Group and other Japanese firms
- ② Promote Asian strategies (China, Thailand, Malaysia)

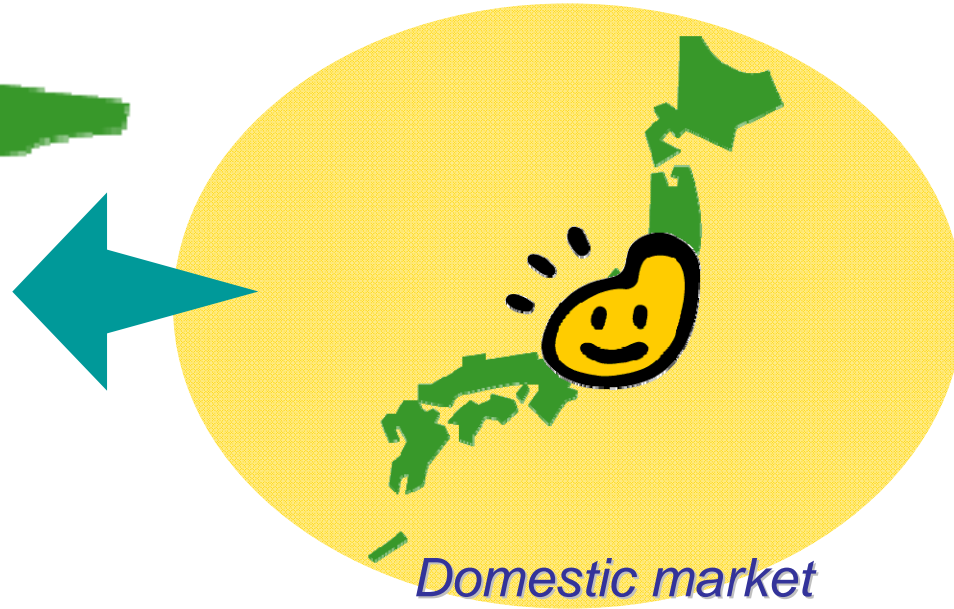
Name: AEON DELIGHT Beijing Building Maintenance Co., Ltd.
(provisional name)
Location: Changpingku, Beijing
Representative: Tetsuo Ohbayashi
Scheduled date of establishment: November 1
Paid-in capital: 5 million yuan
Ownership: 100% owned by AEON DELIGHT Co., Ltd.
Books closed on: December 31
Line of business: Building management



AEON Beijing International Co., Ltd. (provisional name)



Overseas market



Domestic market

③ Market Share up from 32% to 40+% and beyond...

Penetration into large commercial complexes in Japan
(in area)-> over 40%

Large commercial complexes in

Japan:

AEON

Mycal

Posful

Daiei



Approx. 12 million m²

Over 5 million m²



Service commenced at 130 stores



Number of stores: 130

Employees: approx. 770 (approx. 200 newly hired)

Service commenced on: October 1, 2007

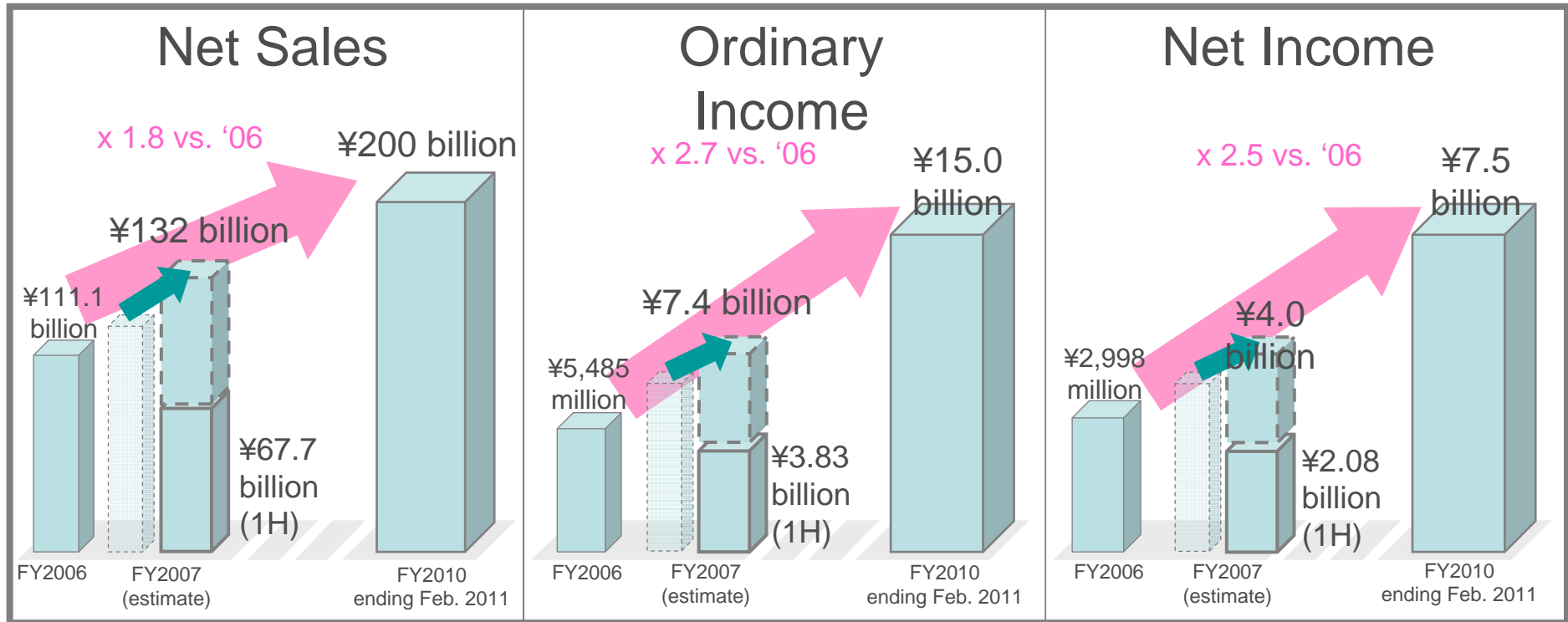
Sales in FY2007: approx. ¥1.5 billion



3. Progress in the Medium-term Management Plan

① P/L in FY2010 (Target)

P/L



	FY2006	FY2007 (forecast)
Net sales	111,170	132,000
Ordinary income	5,485	7,400
Net income	2,998	4,000

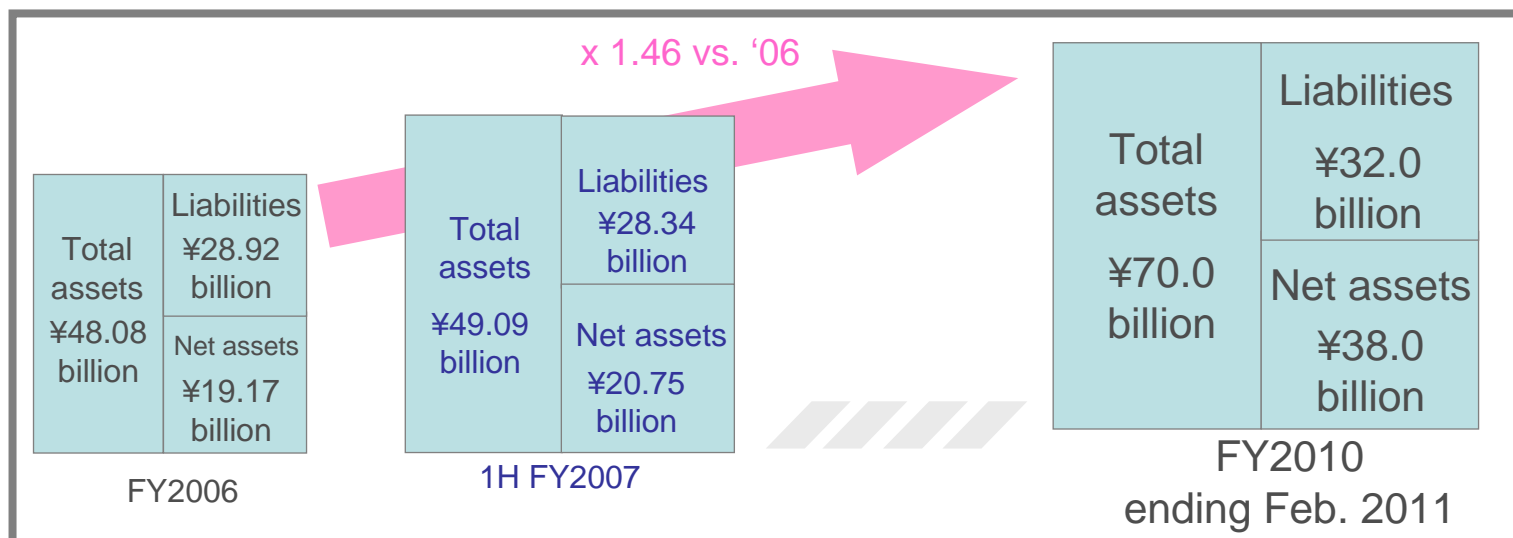
FY2010 (target)
200,000
15,000
7,500

Millions of Yen

The sizes of the bars above are not to scale.

② B/S in FY2010 (Target)

1. B/S



2. Key management indicators

	FY2006	1H FY2007	FY2010 target
Ratio of ordinary income to net sales	4.9%	5.7%	7.5%
Ratio of net income to net sales	2.7%	3.1%	3.8%
EPS	¥151.17	6 months ¥104.87	¥380.00
BPS	¥966.41	¥1,046.23	¥1,910.00
ROE	16.9%	6 months 10.4%	19.8%
ROA	13.9%	6 months 7.9%	26.2%
Shareholders' equity ratio	39.9%	42.3%	54.0%

◇ The above targets do not assume any special events, such as stock splits and capital raising, during the corresponding periods.

22 The sizes of the graphs above are not to scale.

③ Creating “Environmental Value” — Three Strategies —

From “facility maintenance” to “environmental value” creation

Three strategies to bring about the switchover





Reference: Corporate Data

① The Delight Way — Management Principles —

AEON Delight continues to create
“environmental value” for its customers.



② The Delight Way — Vision —

A pioneer in “environmental value”
creation, constantly evolving safety
and comfort.

③ New Maintenance Services in Japan - AEON Delight Group -

Creating new services through collective strengths within the group



Boasts established reputation nationwide for construction/maintenance of small commercial complexes

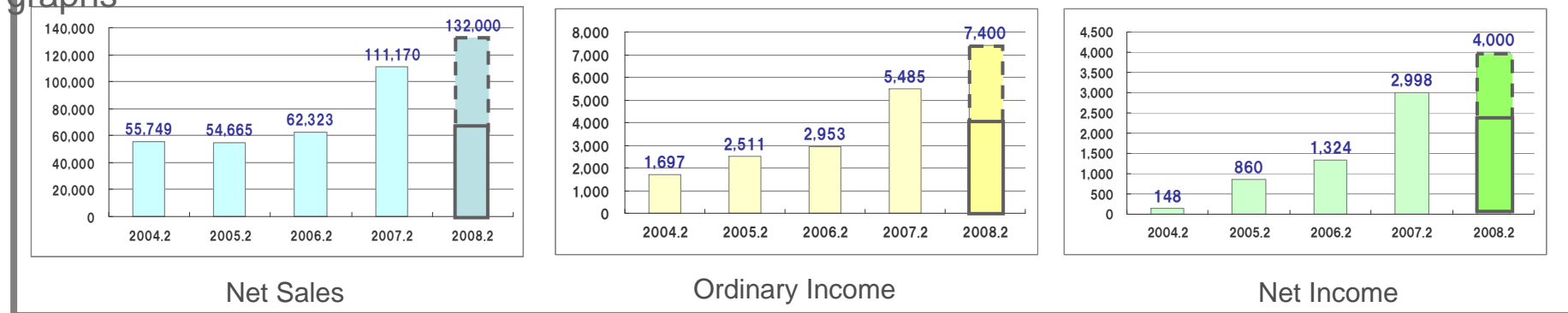
8,200 stores under management nationwide
Business/capital tie-up in March 2007

④ Profit and Loss Analysis

1. Five-year summary:

Millions of Yen

graphs



2. Five-year summary: figures

Millions of Yen

	FY2003		FY2004		FY2005		FY2006		FY2007 (forecast)	
		% YoY		% YoY		% YoY		% YoY		% YoY
Net sales	55,749	99.3%	54,665	98.1%	62,323	114.0%	111,170	178.4%	132,000	118.7%
Operating income	1,686	79.7%	2,504	148.5%	2,949	117.8%	5,576	189.1%	7,550	135.4%
Ordinary income	1,697	80.5%	2,511	148.0%	2,953	117.6%	5,485	185.7%	7,400	134.9%
Net income	148	13.1%	860	581.1%	1,324	154.0%	2,998	226.4%	4,000	133.4%

⑤ Key Management Indicators

(Reference)

	FY2004	FY2005	FY2006	1H FY2007	
EPS	¥41.66	¥64.26	¥151.17	6 months	¥104.87
ROE	5.70%	8.29%	16.85%	6 months	10.42%
ROA	9.90%	10.70%	13.90%	6 months	7.88%
Ratio of ordinary income to net sales	4.59%	4.74%	4.93%		5.66%
Ratio of net income to net sales	1.57%	2.11%	2.70%		3.07%
Total asset turnover	2.15 times	2.26 times	2.83 times	6 months	1.39 times
Shareholders' equity ratio	62.70%	53.69%	39.87%		42.27%
Net assets per share	¥773.26	¥825.28	¥966.41		¥10.46

⑥ No. 1 in Certifications - Number of certifications held by employees -

Total number of certified personnel has increased to 19,712.

Certification		Certification		Certification		Certification	
Boiler engineers (1st class)	387	Hazardous materials officers (class B, type 5)	3	Certified social insurance labor consultants	2	Private power generation equipment engineers (type 1)	14
Plumbing construction management engineers (1st class)	41	Hazardous materials officers (class B, type 6)	5	Certified elevator inspection engineers	2	Sanitation supervisors (type 2)	175
Architects (1st class)	14	Hazardous materials officers (class A)	40	Certified fire-fighting and security engineers	4	Real estate transaction specialists	27
Construction management engineers (1st class)	15	Hazardous materials officers (class C)	26	Fire-fighting equipment officers (class B, type 1)	61	Illegal parking wardens	80
Landscape gardening management engineers (1st class)	1	Supervisors of machine security	90	Fire-fighting equipment officers (class B, type 2)	19	Reservoir cleaning supervisors	37
Electrical construction management engineers (1st class)	185	Guards for transportation of valuables (2nd class)	21	Fire-fighting equipment officers (class B, type 3)	22	Integrated administrators	23
Civil engineering management engineers (1st class)	12	Certified skilled workers (machinery maintenance)	7	Fire-fighting equipment officers (class B, type 4)	145	Boiler engineers (special class)	9
Boiler engineers (2nd class)	1108	Atmospheric environment measurement experts	23	Fire-fighting equipment officers (class B, type 5)	45	Certified surveyors of special buildings	248
Plumbing construction management engineers (2nd class)	52	Building service engineers	1	Fire-fighting equipment officers (class B, type 6)	326	Fire-fighting equipment licensed inspectors	4
Architects (2nd class)	30	Airport security guards (2nd class)	1	Fire-fighting equipment officers (class B, type 7)	296	Chief specified high-pressure gas engineers	13
Construction management engineers (2nd class)	17	Air-conditioning and plumbing management administrators	2	Fire-fighting equipment officers (class A, type 1)	143	Poisonous and deleterious substance control officers	6
Landscape gardening management engineers (2nd class)	2	Guard instruction and training managers	224	Fire-fighting equipment officers (class A, type 2)	65	The Official Business Skills Test in Bookkeeping, Grade 1	2
Electrical construction management engineers (2nd class)	123	Guard instruction and training managers (type 1)	2	Fire-fighting equipment officers (class A, type 3)	51	The Official Business Skills Test in Bookkeeping, Grade 2	20
Civil engineering management engineers (2nd class)	23	Guard instruction and training managers (type 2)	3	Fire-fighting equipment officers (class A, type 4)	287	Certified electrical work operators	59
Amateur radio operators	110	Guard instruction and training managers (type 4)	1	Fire-fighting equipment officers (class A, type 5)	63	Qualified on-site standby power supply installation engineers	10
Interior planners	2	Building doctors (non-structural)	3	Certified senior lifesaving engineers	36	Managers entrusted with hospital cleaning	45
Energy managers	50	Building equipment certified inspectors	226	Regularly-assigned guards (1st class)	11	Certified lifesaving technicians	299
Energy managers (electricity)	155	Utility engineers	2	Regularly assigned guards (2nd class)	119	Ordinary driver's license holders	1030
Energy managers (heat)	81	Building doctors (construction equipment)	15	Water purifier tank managers	52	The Official Business Test in Bookkeeping	16
Energy supervisors	60	Environmental health maintenance engineers for buildings	1157	Vocational training instructors	8	Fire prevention supervisors (class B)	9
Energy supervisors (electricity)	120	Cleaning management engineers for buildings (2nd class)	6	Certified water supply engineering managers	8	Fire prevention supervisors (class A)	955
Energy supervisors (heat)	31	Traffic wardens (1st class)	10	Cleaning supervisors	43	Inspectors of fire prevention property	266
Systems administrators	7	Traffic wardens (2nd class)	104	Certified inspectors of fire-fighting equipment (type 1)	649	Building Safety Center License	747
Qualified neon sign engineers	4	Environmental pollution control operators	37	Information technology engineers (type 1)	2	Certified disaster-mitigation training instructors	35
Building cleaning technicians	254	Installation technicians for both analog and digital combined	29	Electrical contractors (type 1)	953	Pest control supervisors	12
Building facilities administrative engineers (1st class)	14	Installation technicians for analog (1st class)	39	Senior technical electrical experts (type 1)	11	Crime-prevention equipment engineers	108
Building facilities administrative engineers (2nd class)	15	Installation technicians for analog (2nd class)	51	Chief telecommunications engineers (type 1)	5	Technical radio operators for on-the-ground services (1st class)	2
Facility managers	7	Installation technicians for analog (3rd class)	73	Refrigeration equipment managers (type 1)	33	Technical radio operators for on-the-ground services (2nd class)	3
Boiler mechanics	161	Installation technicians for digital (1st class)	56	Certified inspectors of fire-fighting equipment (type 2)	617	Technical radio operators for on-the-ground services (3rd class)	1
Condominium remodeling managers	2	Installation technicians for digital (2nd class)	12	Information technology engineers (type 2)	5	On-the-ground category I special radio operators	17
Residence remodeling managers	8	Installation technicians for digital (3rd class)	22	Electrical contractors (type 2)	1886	On-the-ground category II special radio operators	133
Maritime radar-category special radio operators	19	Administrative scribes	3	Electrical contractors (type 2)	103	On-the-ground category III special radio operators	42
Administrative managers	39	High-voltage electrical contractors	86	Senior technical electrical experts (type 2)	3	ATS water purifier tank engineering managers	12
Hazardous materials officers (class B, type 1)	4	Group fire-fighting engineers	65	Refrigeration equipment managers (type 2)	231	Guards for transportation of valuables (1st class)	3
Hazardous materials officers (class B, type 2)	4	Test in practical English proficiency Grade 2	7	Electrical contractors (type 3)	1070	Partitioned building ownership officers	4
Hazardous materials officers (class B, type 3)	2	Test in practical English proficiency Grade 3	9	Refrigeration equipment managers (type 3)	831	Casualty insurance regular license	8
Hazardous materials officers (class B, type 4)	1141	Test in practical English proficiency Grade 4	1	Sanitation supervisors (type 1)	268	Casualty insurance senior license	1
		Total				19,712	

◇ The above data is as of August 31, 2007.

⑦ Employees

1. Number of employees

		FY2002	FY2003	FY2004	FY2005	FY2006	FY2007
Year		Year-end	Year-end	Year-end	Year-end	Year-end	1H end
Gender							
Regular employees	Male	1,984	1,898	2,306	2,396	3,810	3,855
	Female	72	100	157	184	367	354
	Subtotal	2,056	1,998	2,463	2,580	4,177	4,209
Contract employees	Male	939	887	745	606	1,094	1,188
	Female	213	176	131	132	133	130
Contract employees for specialized duties	Subtotal	1,152	1,063	876	738	1,227	1,318
Part-time workers		3,996	3,332	2,499	2,444	2,834	2,816
Total		7,204	6,393	5,838	5,762	8,238	8,343

2. Average age

	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007
Year	Year end	Year end	Year end	Year end	Year end	1H end
Average age	42.4	43.1	41.8	44.1	45.2	45.8

◇ The above data is as of August 31, 2007. Figures for part-time workers are calculated by dividing total monthly working hours by 172 hours. The total number of employees is 10,801, with 5,274 part-time workers and 5,527 regular / contract / specialized-duty contract employees.

スライド 31

AH10

The word “emplyees” should be amended to “employees”.

The phrase “Contract employees for specialized duties” should be amended to “Contract employees with specialized duties”.

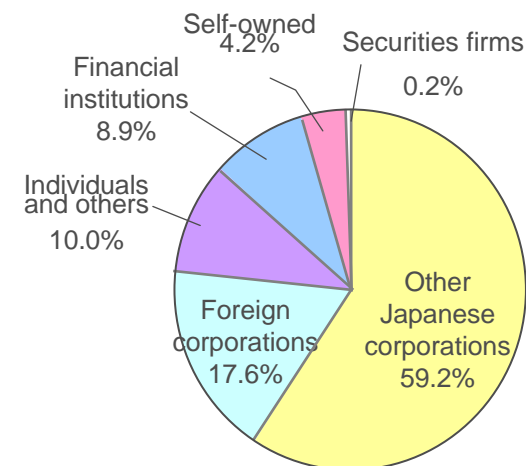
AH, 2008/01/17

⑧ Shareholders / Stock Price

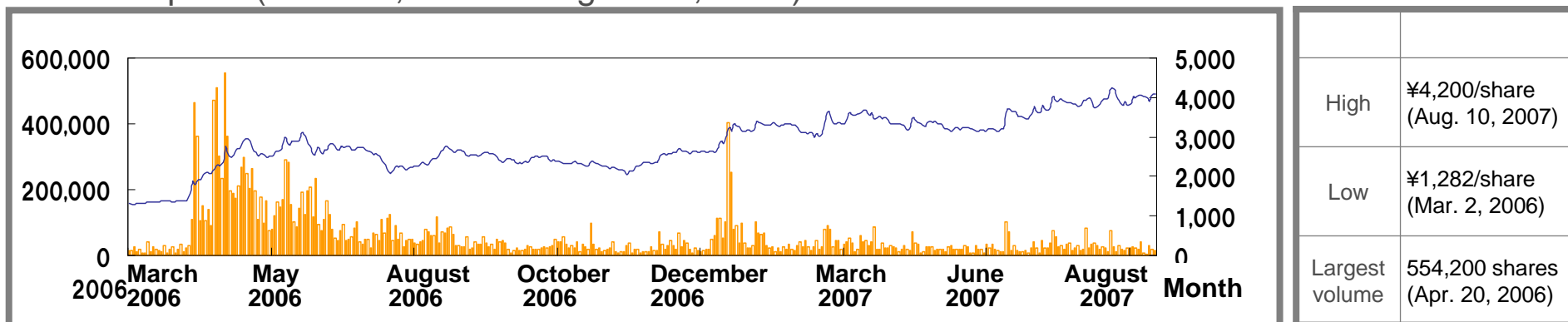
1. Major shareholders (Top 10) Total number of shares outstanding:: 20.7 million

Place	Name	No. of shares owned	Percentage
1	MYCAL Corp.	11,630,900	56.18
2	AEON Delight Co., Ltd. (self-owned)	864,525	4.17
3	The Master Trust Bank of Japan, Ltd.	602,400	2.91
4	The Chase Manhattan Bank N.A. London SL Omnibus Account	526,000	2.54
5	Goldman Sachs International	422,700	2.04
6	AEON Delight Employee Stock Ownership Association	412,700	1.99
7	Caceis Bank Luxemburg, Client Account	367,900	1.77
8	State Street Bank and Trust Company	305,800	1.47
9	The Master Trust Bank of Japan, Ltd. (trust account)	282,100	1.36
10	AEON Co., Ltd.	280,400	1.35

2. Shareholders by type (%)



3. Stock price (March 1, 2006 – August 31, 2007)



◇ The above data is as of August 31, 2007.

Thank you for your kind attention.

Comments and inquiries should be directed to the following:

AEON Delight Co., Ltd. (Stock code: 9787)

IR contact

Daisuke Kurakata

Delight Communications Division

TEL +81-6-6260-5632

FAX +81-6-6260-5653

OR see our website at:

<http://www.aeondelight.co.jp>

* When sending a fax, please include your name and contact details.

This presentation has been prepared using the information available on the dates of the presentation (October 4-5, 2007).
The earnings forecast contained herein may be revised due to unforeseen factors that may arise in the future.