



April 7, 2008

Summary Report of Consolidated Financial Statements for the Fiscal Year Ended February 29, 2008

Listed company's name

AEON Delight Co., Ltd.

Listed exchanges: Tokyo Stock Exchange, Osaka

Securities Exchange (First Section)

(URL [http : //www.aeondelight.co.jp](http://www.aeondelight.co.jp))

Stock Code 9787

Representative (Title)

President and CEO

(Name) Yutaka Furutani

Contact (Title)

General Manager,
Delight Communications
Dept.

(Name) Daisuke Kurakata

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Planned date of ordinary general meeting of shareholders

May 22, 2008

Planned starting date for dividend payment

May 8, 2008

Planned date for filing of annual securities report ("Yukashoken Hokokusho")

May 23, 2008

(Figures of less than one million yen have been rounded down.)

1. Consolidated Results for the Year Ended February 29, 2008 (from March 1, 2007 to February 29, 2008)

(1) Consolidated Operating Results

(Percentage figures show year-on-year % change)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended February 29, 2008	137,519	23.7	8,330	49.4	8,186	49.2	4,379	46.1
Year ended February 28, 2007	111,170	78.4	5,576	89.0	5,485	85.7	2,998	126.4

	Net Income per Share	Diluted Net Income per Share	Return on Equity	Ratio of Ordinary Income to Total Assets	Ratio of Operating Income to Net Sales
	Yen	Yen	%	%	%
Year ended February 29, 2008	110.39	—	21.0	17.1	6.1
Year ended February 28, 2007	151.17	—	16.9	13.9	5.0

(Reference)

Year ended

0 million yen

Year ended

— million yen

Equity in (loss) of

February 29,

February 28, 2007:

unconsolidated subsidiaries and affiliates

2008:

(2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
As of February 29, 2008	47,418	22,488	47.4	566.87
As of February 28, 2007	48,084	19,169	39.9	966.41

(Reference)

As of February. 22,488 million yen As of February. 19,169 million yen

Shareholders' equity

29, 2008

28, 2007:

(2) Consolidated Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at End of Period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended February 29, 2008	6,472	-2,190	-6,094	7,657

Year ended February 28, 2007	1,680	-13,426	11,021	9,469
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2. Dividends

(Record Date)	Dividends per Share			Total Dividends (Annual)	Payout Ratio (Consolidated)	Ratio of Dividends to Net Assets (Consolidated)
	End of interim period	Year-end	Annual			
Year ended February 28, 2007	10.00 ^{Yen}	20.00 ^{Yen}	30.00 ^{Yen}	595 ^{Millions of yen}	19.8 [%]	3.3 [%]
Year ended February 29, 2008	7.50	10.00	17.50	694	15.9	3.3
Year ending February 28, 2009 (Forecast)	10.00	10.00	20.00		17.2	

Note: AEON Delight implemented a two-for-one stock split effective December 1, 2007. The amount of the interim dividend per share for the year ended February 29, 2008 was computed assuming that the stock split took place at the beginning of the fiscal year.

3. Forecast for Consolidated Results for the Year Ending February 28, 2009 (from March 1, 2008 to February 28, 2009)

(Percentage figures show year-on-year % change)

	Net Sales		Operating Income		Ordinary Income		Net Income		Net Income per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Interim	68,500	1.1	4,200	6.7	4,150	8.2	2,100	1.0	52.94
Full-year	145,000	5.4	9,100	9.2	9,000	9.9	4,600	5.0	115.95

4. Other remarks

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting from a change in the scope of consolidation): Not applicable
- (2) Changes in accounting principles and procedures, methods of presentation, etc. concerning the preparation of consolidated financial statements (those to be described in the section "Changes in Significant Items that Constitute the Basis for Preparing Consolidated Financial Statements")
- ① Changes related to revisions of accounting standards, etc.: None
- ② Changes other than those described in ①: None

(3) Number of shares outstanding (common stock)

- ① Number of shares outstanding at end of period (including treasury stock)

As of February 29, 41,400,000 As of February 28, 20,700,000 shares
2008: shares 2007:

- ② Number of shares held in treasury at end of period

As of February 29, 1,729,240 As of February 28, 864,500 shares
2008: shares 2007:

Note: 1. For the number of shares used as the basis for calculating (consolidated) net income per share, please refer to the "Per-share Information" on Page 35.

2. AEON Delight implemented a two-for-one split of the company's common stock effective December 1, 2007 based on the resolution made at the Board of Directors meeting held on November 9, 2007.

(Reference) Summary of Non-consolidated Results

1. Non-consolidated Results for the Fiscal Year Ended February 29, 2008 (from March 1, 2007 to February 29, 2008)

(1) Non-consolidated Results of Operations

(Percentage figures show year-on-year % change)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended February 29, 2008	133,427	49.8	8,141	80.1	8,045	81.9	4,405	78.4
Year ended February 28, 2007	89,097	80.9	4,520	77.6	4,421	73.2	2,468	103.5

	Net Income per Share	Diluted Net Income per Share
	Yen	Yen
Year ended February 29, 2008	111.04	—
Year ended February 28, 2007	124.46	—

(2) Non-consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
As of February 29, 2008	46,851	22,591	48.2	569.49
As of February 28, 2007	47,514	19,247	40.5	970.36

(Reference) As of February 29, 22,591 million yen As of February 28, 19,247 million yen
Shareholders' equity 2008: 2007:

*** Information concerning proper usage of the financial forecast and other special instructions**

The above financial forecast has been prepared on the basis of the information available on the date of publication of this report. Actual results may differ from the above forecast due to unforeseen factors that may arise in the future. AEON Delight operates its business as a corporate group focusing on consolidated performance, and will disclose forecast information only on a consolidated basis starting with the fiscal year ending February 28, 2009.

(Reference) Retroactive adjustment of per-share data resulting from a stock split:

AEON Delight implemented a two-for-one split of the company's common stock effective December 1, 2007 based on the resolution made at the Board of Directors meeting held on November 9, 2007.

Per-share data assuming the stock split took place at the beginning of the previous fiscal year is as follows:

(Consolidated)

	Net Income per Share	Diluted Net Income per Share	Net Assets per Share
Year ended / As of February 28, 2007	Yen 75.58	Yen —	Yen 483.20

(Non-consolidated)

	Net Income per Share	Diluted Net Income per Share	Net Assets per Share
Year ended / As of February 28, 2007	Yen 62.23	Yen —	Yen 485.18

1. Results of Operations and Financial Position

1. Analysis of Operating Results

<Summary of consolidated results for fiscal 2007>

During the year ended February 29, 2008, the building maintenance industry faced increasing pressure to achieve higher levels of quality in order to address increasing social needs for security and safety, as seen in the legal amendments that tightened reporting requirements for the treatment of industrial waste that may adversely affect the environment and public health, as well as amendments aimed at enhancing water safety.

In addition, the change in the demographic structure of the workforce and the rise in raw material costs caused by the escalation in the prices of crude oil, iron and steel continued to push up costs. Against the backdrop of such a difficult business environment, maintenance companies that do not have the ability to control quality and costs may be compelled to withdraw from the market, fueling industry reorganization.

Furthermore, in the field of public works, the open bidding for a single-year contract sparked a price-cutting war, raising concerns over an increased risk of accidents and incidents.

As the shift from the public to the private sector progresses, the time has come for us to change our perspective on open bidding and PFI (Private Finance Initiative) projects in a way that supports decision-making based on an equation focusing not only on prices, but also on safety, i.e., an equation that seeks to achieve an optimum balance between price and quality.

Meanwhile, in aiming to grow further from a “distribution company” into a “business that ensures customer satisfaction” on the basis of the “customer-first” principle, the AEON Group has been expanding its business operations with a focus on shopping centers that can contribute to the development of cultures and lifestyles for local communities and people. In the years to come, the Group will seek to expand its operations into China and Southeast Asia at an accelerated pace.

The AEON Group has also been developing its environmental protection activities for the construction of a recycling society. In April 2007, the group became the first general merchandise retailer to sign an agreement with the Japanese Ministry of the Environment concerning initiatives toward the establishment of a recycling-oriented society, with a view to preserving a better global environment for the next generation, and has been actively promoting environmental protection and social contribution activities.

In addition, in March 2008, the AEON Group drew up the “AEON Manifesto on the Prevention of Global Warming,” becoming the first retailer in Japan to set a comprehensive CO₂ (carbon dioxide) reduction goal. In this manifesto, the Group announced its commitment to further promoting various measures from the perspectives of “retail store facilities,” “products,” and “customers” to achieve the target of reducing its CO₂ emissions to 30% below fiscal 2006 levels by fiscal 2012.

Under such a business environment, AEON Delight Co., Ltd. (“AEON Delight” or the “company”) has

been pursuing aggressive marketing activities both inside and outside the AEON Group and steadily expanding its operations.

Outside the AEON Group, a wide range of customers have signed contracts to use AEON Delight's services, including large-scale commercial facilities, distribution centers, amusement facilities, office buildings of nationwide companies, and the men's and women's marathon events at the 11th IAAF World Championships in Athletics Osaka 2007.

Meanwhile, in the field of public works, the company did not participate in open bidding exercises in which contractors would be selected based solely on price, but actively bid for projects in which a good balance between price and quality was valued.

AEON Delight is committed to remaining a company that creates environmental value for customers and places the security and safety of users before everything else, in serving both public and private sector customers.

As for business with AEON Group companies, AEON Delight received a constant flow of orders from newly opened large-scale commercial facilities, AEON Supercenters and Maxvalu stores, including AEON Ishinomaki, AEON MALL Natori, AEON Ohgaki, AEON Kakamigahara, AEON Takanohara, AEON Takamatsu, LOC TOWN Suzuka, AEON MALL Hanyu, AEON MALL Hinode, AEON Kagoshima, AEON Niigata-Minami, LOC CITY Sanuma and AEON Fuji-Minami.

AEON Delight was also commissioned to provide services to a great number of existing stores including AEON Marché Co., Ltd. and AEON Hokkaido Corporation (formerly Posful Corporation), and won a blanket contract to provide services to Daiei Inc.'s stores nationwide.

As a result, AEON Delight's service coverage grew to approximately 5 million square meters, which accounts for more than 40% of the total floor area of large-scale commercial facilities across Japan.

By carrying out cleaning, facility management, security, and repair/maintenance services for stores that have as many as 6 million visitors per day, the company will strive to hone its professional skills to provide commercial facility maintenance services that involve the most difficult challenges in the management of work activities and workers.

In terms of business domain expansion, AEON Delight launched its "financial facility service" as a new line of business, and has accepted a large number of service engagements including engagements relating to cash transport, property management in banks, branch installation work and ATM installations.

AEON Delight also formed a business and capital tie-up with A to Z Service Co., Ltd. in March 2007, which has provided the company with the know-how required to carry out maintenance services for small commercial facilities 24/7, 365 days a year, thereby establishing a system that allows the company to provide full-line services to customers ranging from ultra-small to large facilities nationwide.

As for strategies in Asian markets, AEON Delight formed a wholly-owned subsidiary, AEON Delight (BEIJING) Co.,Ltd (commonly known as AEON Delight Beijing), in Beijing, China, thereby taking its first step as a maintenance company that will play an essential role in the development of AEON Group's business in Asia.

In the years ahead, AEON Delight Beijing will aim to become a company that leads the maintenance industry in Asia as well as in Japan.

To reinforce its management foundation and improve productivity, AEON Delight has been pushing ahead with organizational reforms since the merger in 2006. In June 2007, the company assigned a large number of central and branch office staff to work on the frontline, aiming to improve the efficiency of headquarters functions and reinforce field operation capabilities.

As a result, the number of centers that have a direct interface with customers who place orders increased to 460, compared with 300 at the end of the previous fiscal year, allowing the company to provide services with a far higher level of attentiveness.

At the same time, all of AEON Delight's centers nationwide acquired "ISO9001" certification in a drive to improve the quality of services the company offers.

As a result, AEON Delight reported consolidated net sales of 137,519 million yen for the year ended February 29, 2008 (123.7% versus fiscal 2006), operating income of 8,330 million yen (149.4%) and ordinary income of 8,186 million yen (149.2%).

Regarding extraordinary profit/loss, the company posted an extraordinary profit of 57 million yen, which consisted of a gain on the sale of investment securities of 49 million yen and a gain on the settlement of leased property of 8 million yen, and recorded an extraordinary loss of 162 million yen made up of a loss on the revaluation of investment securities of 137 million yen and a loss on the revaluation of memberships of 23 million yen.

Net income after extraordinary items and income taxes totaled 4,379 million yen (146.1%). All of these reported figures were record highs.

<Results by Business Segment>

• Building Management

The Building Management segment, which provides services such as facility management, security, cleaning and construction work, posted sales of 133,927 million yen (123.1% versus fiscal 2006) thanks to increased orders from external customers for maintenance, equipment replacement work and energy saving work for large-scale commercial facilities, office buildings and distribution centers, and also from AEON Group's general merchandise stores (GMS), Daiei and other facilities.

The above net sales were made up of 40,202 million yen (121.3%) from facility management, 35,848 million yen (129.6%) from security services, 41,098 million yen (122.3%) from cleaning, and 16,777

million yen (116.8%) from construction work.

・ **Other operations**

Other operations reported net sales of 3,591 million yen (151.4% versus fiscal 2006) due to increased orders for services incidental to store operations management.

Results by business segment	The 34 th Term FY2006 Net sales (Millions of yen)	The 35 th Term FY2007 (Fiscal year under review) Net sales (Millions of yen)	Change (Millions of yen)	% versus previous fiscal year
Facility management	33,151	40,202	7,050	121.3
Security	27,664	35,848	8,184	129.6
Cleaning	33,613	41,098	7,485	122.3
Construction work	14,368	16,777	2,408	116.8
Total building management	108,798	133,927	25,129	123.1
Other operations	2,372	3,591	1,219	151.4
Total	111,170	137,519	26,348	123.7

<Issues to be addressed>

We think that the business environment surrounding AEON Delight will remain extremely harsh. This situation has resulted from price competition driven solely by an attempt to meet the needs of customers to cut costs amid difficult social and economic conditions, demonstrating that the maintenance industry itself is still in the embryonic stage.

Against this backdrop, AEON Delight, as a leader in the industry, will continue to drive innovative initiatives to “industrialize maintenance businesses” and thereby pursue its aim of becoming a company that creates “environmental value” beyond the framework of a building maintenance service provider, and will seek to further develop its business.

(1) **Growth management**

We will:

- Strengthen our marketing capability and set clear targets by region to expand sales.
- Offer real solutions for customers to solve their problems as well as reasonable pricing, thereby transforming mere individual business deals into B-to-B undertakings.
- Create an optimum equation that constantly maintains a balance between price and quality.
- Develop service networks in China and Southeast Asia as part of our Asian strategies, given that we have already built up a nationwide network in Japan.
- In particular, ensure that AEON DELIGHT(BEIJING)CO.,LTD., which was formed in November 2007, gets on track as early as possible, thereby establishing our maintenance service systems in Beijing, China.
- Implement the above measures steadily, thereby expanding the scale of operations and

pursuing further growth.

(2) Quality management

We will:

- Build a highly profitable structure and improve operational quality.
- Review our existing business models from the drawing board and develop value-chain oriented organizational functions from a customer perspective.
- Reinforce weak functions such as product/service development, business process design, specification design and quality assurance.
- Subsequently, transform new technologies developed by the product/service development function into business process design and specification design businesses, and establish a highly profitable structure.
- Improve operational quality by introducing an inspection team as our own quality assurance function to complement ISO9001.
- In addition, continue to develop our 5-s activities - *seiri*, *seiton*, *seiso*, *seiketsu* and *shukan* (tidiness, orderliness, cleaning, cleanliness, and habit) – in 2008, and eliminate overstrain and waste from our daily operations much more thoroughly.
- We believe that the above 5-s initiative can serve as a basis for every innovation and contribute to AEON Delight's business evolution.

By establishing the above two management frameworks and having them work in conjunction with each other, AEON Delight aims to become widely recognized for its growth as well as quality, thus becoming a corporation that provides indispensable services to its customers.

2. Analysis of Financial Position

<Summary of consolidated financial position>

(Current assets)

Current assets at the end of fiscal 2007 increased 926 million yen from the end of fiscal 2006 to 28,764 million yen (an increase of 3.3%). The major factors contributing to this result include a decrease of 1,821 million yen in cash and deposits, an increase of 939 million yen in notes and accounts receivable, and an increase of 1,500 million yen in deposits paid to affiliated companies for bailment for consumption.

(Fixed assets)

Fixed assets at the end of fiscal 2007 decreased 1,593 million yen from the end of fiscal 2006 to 18,653 million yen (a decrease of 7.9%). This decrease was primarily attributable to goodwill amortization of 845 million yen and the impact of the revaluation and sale of investment securities amounting to 821 million yen.

(Current liabilities)

Current liabilities at the end of fiscal 2007 increased 1,086 million yen from the end of fiscal 2006 to 22,533 million yen (an increase of 5.1%). The major factors contributing to this result include an increase of 1,315 million yen in accounts payable, a decrease of 900 million yen due to the repayment of funds raised from the liquidation of future receivables, and an increase of 1,197 million yen in income taxes payable.

(Long-term liabilities)

Long-term liabilities at the end of fiscal 2007 decreased 5,071 million yen from the end of fiscal 2006 to 2,395 million yen (a decrease of 67.9%). This decrease was mainly due to the repayment of funds raised from the liquidation of future receivables amounting to 4,500 million yen.

(Net assets)

Net assets at the end of fiscal 2007 increased 3,319 million yen from the end of fiscal 2006 to 22,488 million yen (an increase of 17.3%). This increase resulted primarily from an increase of 4,379 million yen in retained earnings on account of the posting of net income, a decrease of 694 million yen in retained earnings due to dividend payments, and a decrease of 366 million yen in net unrealized gains on marketable securities.

<Summary of consolidated cash flows for fiscal 2007>

The balance of cash and cash equivalents (hereinafter referred to as "cash") at the end of fiscal 2007 decreased 1,811 million yen from the end of fiscal 2006 to 7,657 million yen (the balance at the end of fiscal 2006 having decreased 724 million yen from the end of fiscal 2005). This decrease in the cash balance primarily reflected the repayment of funds raised from the liquidation

of future receivables amounting to 5,400 million yen, income tax payments totaling 2,721 million yen, and an increase of 920 million yen in trade receivables, although the impact of these items was partially offset by net income before income taxes of 8,081 million yen and an increase of 1,271 million yen in accounts payable.

Summarized below are cash flows for fiscal 2007 and their underlying factors.

(Cash flows from operating activities)

Net cash provided by operating activities in fiscal 2007 was 6,472 million yen (an increase of 285.2% versus fiscal 2006). The main factors behind this include: the posting of net income before income taxes of 8,081 million yen, retained earnings from goodwill amortization of 845 million yen, and an increase of 1,271 million yen in accounts payable, partially offset by an increase of 902 million yen in trade receivables and income tax payments totaling 2,721 million yen.

(Cash flows from investing activities)

Net cash used in investing activities in fiscal 2007 was 2,190 million yen (a decrease of 83.7% versus fiscal 2006), resulting primarily from factors such as an outflow of 264 million yen for acquisitions/sales of tangible fixed assets, expenditure of 254 million yen for acquisitions of intangible fixed assets, an inflow of 113 million yen from acquisitions/sales of investment securities, and an outflow of 1,500 million yen for expenditure on/the return of deposits for consumption under bailment arrangements with affiliates.

(Cash flows from financing activities)

Net cash used in financing activities in fiscal 2007 was 6,094 million yen (net cash provided for such activities in fiscal 2006 was 11,021 million yen). This is mainly attributable to the redemption of funds raised from the liquidation of future receivables amounting to 5,400 million yen and dividend payments of 694 million yen.

Changes in cash flow indicators are shown below:

	Year ended February 28, 2007	Year ended February 29, 2008	Interim period ended August 31, 2007
Shareholders' equity ratio (%)	39.9	47.4	42.3
Shareholders' equity ratio based on market value (%)	127.9	182.8	165.7
Ratio of interest-bearing debts to cash flows (%)	6.8	0.9	1.6
Interest coverage ratio	6.1	—	—

Note: The above indicators were calculated based on data from the consolidated financial statements using the following formulas:

• Shareholders' equity ratio : Shareholders' equity / Total assets

• Shareholders' equity ratio
based on market value : Total market capitalization / Total assets

Total market capitalization was calculated as the stock price at the end of the period x number of shares outstanding (excluding treasury stock) at the end of the period.

- Ratio of interest-bearing debts to cash flows : Interest-bearing debts / Operating cash flows
(Interim: Interest-bearing debts / Operating cash flows x 2)

Interest-bearing debt represents all debts on which interest is paid that are recorded in the consolidated balance sheets.

Operating cash flows are the “cash flows from operating activities” reported in the consolidated statements of cash flows.

- Interest coverage ratio : Operating cash flows / interest paid

Interest paid represents the “interest paid” reported in the consolidated statements of cash flows.

3. Basic policy on profit distribution

<Basic policy on profit distribution and dividends for fiscal 2007>

AEON Delight's basic policy is to match dividend payments made to shareholders with the company's business performance, and at the same time, to maintain/continue paying a stable dividend, while striving to ensure that a stable management foundation is maintained and improve return on equity. As already announced, the company is planning to pay a year-end dividend of 10 yen per share, which comprises a dividend of 7.50 yen as initially planned and an additional dividend of 2.50 yen. The year-end dividend, when combined with the interim dividend already paid of 7.50 yen (the amount calculated assuming a stock split at the beginning of the period) will bring the total annual dividend to 17.50 yen.

Incidentally, given that AEON Delight implemented a two-for-one split of the company's common stock effective December 1, 2007, the annual dividend, if calculated based on the number of shares before the split, would total 35 yen per share (an interim dividend of 15 yen and a year-end dividend of 20 yen), an increase of 5 yen compared with fiscal 2006.

In addition, the company will use its to invest for growth, which is crucial to future business development, and strive to meet its shareholders' expectations by improving corporate value through a medium and long-term growth strategy.

<Creation of a new shareholder benefit program>

As announced on July 19, 2007, AEON Delight has established a new shareholder benefit program to express its gratitude to all shareholders for their support and make the company's stock more appealing to investors.

Under the new program, which was designed to create greater synergies within the AEON Group, shareholders are entitled to choose either gift certificates or TOPVALU brand merchandise. In particular, reflecting the company's enhanced efforts in CSR activities in recent years, TOPVALU Fair Trade merchandise provides shareholders with an opportunity to participate in such activities.

For more information on the shareholder benefit program, please access the company's official website at <http://www.aeondelight.co.jp>.

2. Corporate Group Organization

AEON Delight Co., Ltd. has five consolidated subsidiaries and one equity method company under its umbrella. AEON Delight itself is also a member of the corporate group of AEON Co., Ltd. and MYCAL Corporation. The corporate group is engaged in general merchandise retailing as its primary line of business, with general merchandise stores (GMS) at its core. The corporate group also operates various related businesses such as shopping center development, specialty store operations, and financial and other services.

AEON Delight is positioned as a core part of the service operations of the AEON Group formed with AEON Co., Ltd. at its center, and is mainly engaged in the following operations:

Building management: run by AEON Delight, four consolidated subsidiaries and one equity company (AEON Delight Security Co., Ltd. specializes in security services.)

Facility management --- Building facility maintenance/inspection/improvement

Security --- Security and guards for building facilities and events

Cleaning --- Environmental protection for building facilities

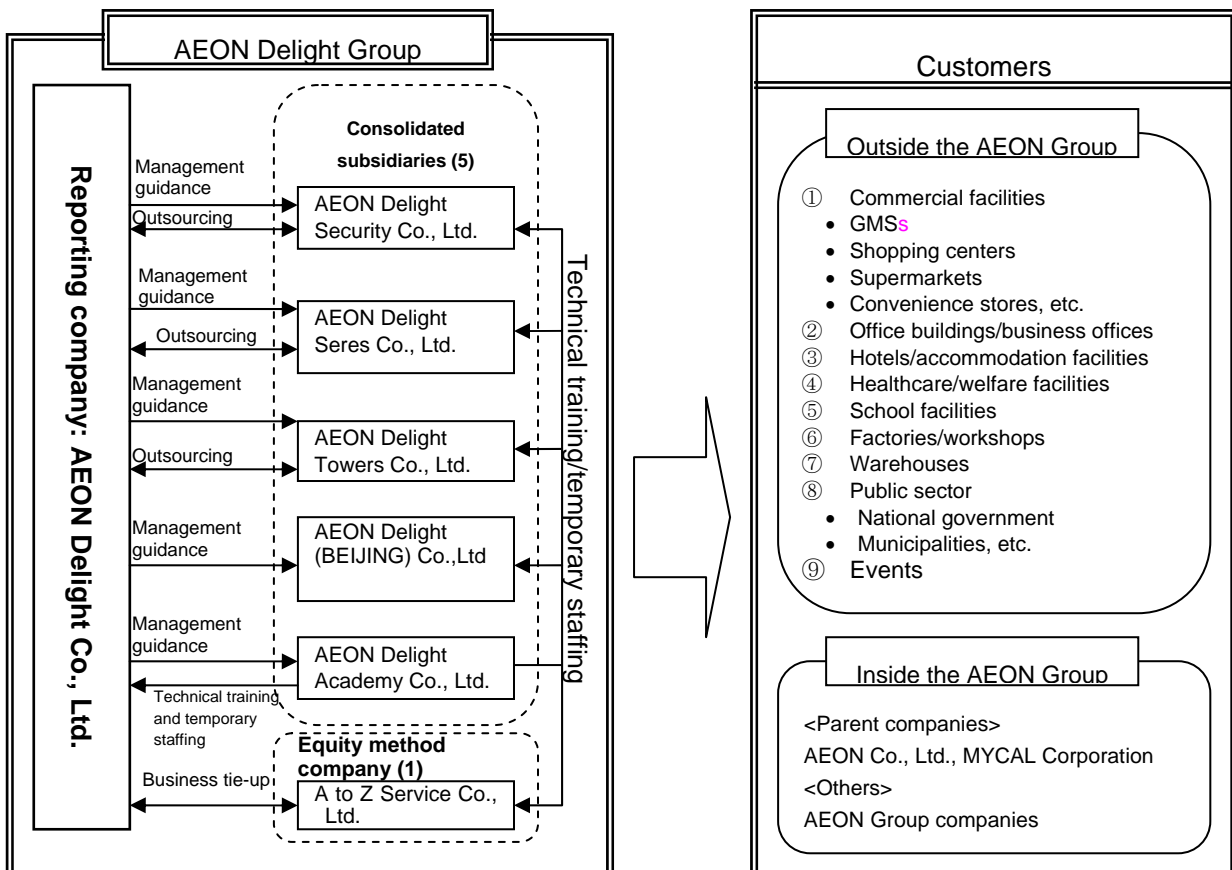
Construction work --- Repair and other construction work for building facilities

Other operations: run by AEON Delight and four consolidated subsidiaries

(Technical training and temporary staffing businesses are run by AEON Delight Academy Co., Ltd., and document management services are provided by AEON Delight Towers Co., Ltd.)

Other businesses --- Technical training and temporary staffing businesses, businesses incidental to store operations management, and a document management business

The business structure is shown below.



- Note: 1. AEON Delight subscribed for new shares that A to Z Service Co., Ltd. issued through a third party allocation effective May 10, 2007, and as a result, A to Z Service became an affiliate of AEON Delight and is accounted for using the equity method.
2. AEON Delight established AEON Delight (BEIJING) Co.,Ltd on November 20, 2007.

3. Management Policy

1. Basic management policy, 2. Target management indicators, and 3. Medium and long-term management strategies

The above information has been omitted from this report because there has been no significant change to the relevant information disclosed in the summary report of consolidated financial statements for the year ended February 28, 2007 (released on April 4, 2007).

The information disclosed in this report is available at:

<http://www.aeondelight.co.jp/> (AEON Delight website)

<http://www.tse.or.jp/listing/compsearch/index.html> (Tokyo Stock Exchange website (Listed Company Information))

4. Consolidated Financial Statements, Etc.**(1) Consolidated Balance Sheets**

(Unit: Millions of yen)

Accounts	Fiscal 2006 (As of February 28, 2007)		Fiscal 2007 (As of February 29, 2008)		Y o Y change
	Amount	Ratio	Amount	Ratio	Amount
(Assets)		%		%	
I. Current assets					
Cash and deposits	9,495		7,673		-1,821
Trade notes and accounts receivable	16,738		17,677		939
Inventories	28		10		-18
Deferred tax assets	727		1,133		406
Funds entrusted to affiliates	—		1,500		1,500
Others	952		909		-42
Allowance for doubtful accounts	-104		-140		-36
Total current assets	27,837	57.9	28,764	60.7	926
I. Fixed assets					
Tangible fixed assets					
Buildings	486		471		-15
Area management equipment	463		398		-65
Land	292		292		—
Others	784		723		-60
Total tangible fixed assets	2,026	4.2	1,885	4.0	-141
Intangible fixed assets					
Goodwill	13,517		12,671		-845
Others	643		684		41
Total intangible fixed assets	14,161	29.5	13,356	28.1	-804
Investments and other assets					
Investment securities	3,004		2,182		-821
Deferred tax assets	139		83		-55
Others	1,041		1,281		240
Allowance for doubtful accounts	-126		-136		-9
Total investments and other assets	4,058	8.4	3,411	7.2	-646
Total fixed assets	20,246	42.1	18,653	39.3	-1,593
Total assets	48,084	100.0	47,418	100.0	-666

(Unit: Millions of yen)

Accounts	Fiscal 2006 (As of February 28, 2007)		Fiscal 2007 (As of February 29, 2008)		Y o Y change
	Amount	Ratio	Amount	Ratio	Amount
(Liabilities)		%		%	
I. Current liabilities					
Trade notes and accounts payable	10,340		10,293		-47
Funds raised due to liquidation of future receivables	5,400		4,500		-900
Other accounts payable	—		2,447		2,447
Income taxes payable	1,480		2,677		1,197
Consumption taxes payable	381		512		130
Provision for bonuses	851		852		1
Provision for bonuses for directors and corporate auditors	91		114		23
Others	2,902		1,136		-1,766
Total current liabilities	21,447	44.6	22,533	47.5	1,086
II. Long-term liabilities					
Funds raised due to liquidation of future receivables	6,000		1,500		-4,500
Allowance for accrued retirement benefits for employees	156		145		-11
Allowance for retirement benefits for directors and corporate auditors	144		24		-119
Deferred tax liabilities	248		147		-100
Others	918		578		-340
Total long-term liabilities	7,467	15.5	2,395	5.1	-5,071
Total liabilities	28,915	60.1	24,929	52.6	-3,985
(Net assets)					
I. Shareholders' Equity					
Capital stock	3,238	6.7	3,238	6.8	—
Capital surplus	2,963	6.2	2,963	6.3	—
Retained earnings	13,086	27.2	16,772	35.4	3,685
Treasury stock	-460	-0.9	-460	-1.0	-0
Total Shareholders' Equity	18,828	39.2	22,512	47.5	3,684
II. Valuation and translation adjustments, etc.					
Net unrealized gain (loss) on marketable securities	340	0.7	-25	-0.1	-366
Foreign currency translation adjustment	—	—	0	0.0	0
Total valuation and translation adjustments, etc.	340	0.7	-24	-0.1	-365
Total net assets	19,169	39.9	22,488	47.4	3,319
Total liabilities and net assets	48,084	100.0	47,418	100.0	-666

(2) Consolidated Statements of Income

(Unit: Millions of yen)

Accounts	Fiscal 2006 〔 From March 1, 2006 to February 28, 2007 〕		Fiscal 2007 〔 From March 1, 2007 to February 29, 2008 〕		Y o Y change	% change
	Amount	Ratio	Amount	Ratio	Amount	
I. Net sales	111,170	100.0	137,519	100.0	26,348	23.7
II. Cost of sales	95,226	85.7	118,692	86.3	23,465	24.6
Gross profit	15,943	14.3	18,827	13.7	2,883	18.1
III. Selling, general and administrative expenses	10,367	9.3	10,496	7.6	129	1.2
Operating income	5,576	5.0	8,330	6.1	2,754	49.4
IV. Non-operating income	99	0.1	128	0.1	29	29.7
V. Non-operating expenses	190	0.2	272	0.2	82	43.5
Ordinary income	5,485	4.9	8,186	6.0	2,701	49.2
VI. Extraordinary profit	267	0.3	57	0.0	-209	-78.4
VII. Extraordinary loss	227	0.2	162	0.1	-64	-28.4
Net income before income taxes and minority interests	5,524	5.0	8,081	5.9	2,556	46.3
Current income taxes	2,293	2.1	3,898	2.8	1,605	70.0
Deferred income taxes	233	0.2	-196	-0.1	-429	-184.3
Net income	2,998	2.7	4,379	3.2	1,380	46.1

(3) Consolidated Statements of Changes in Shareholders' Equity

Fiscal 2006 (from March 1, 2006 to February 28, 2007)

(Unit: Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at February 28, 2006	3,238	2,963	10,508	-458	16,250
Changes during the period					
Dividend from retained earnings (Note 1)			-376		-376
Bonuses to directors and corporate auditors (Note 2)			-43		-43
Net income			2,998		2,998
Purchase of treasury stock				-1	-1
Total change during the period	—	—	2,578	-1	2,577
Balance at February 28, 2007	3,238	2,963	13,086	-460	18,828

(Unit: Millions of yen)

	Valuation and translation adjustments, etc.		Total net assets
	Net unrealized gain (loss) on marketable securities	Total valuation and translation adjustments, etc.	
Balance at February 28, 2006	162	162	16,413
Changes during the period			
Dividend from retained earnings (Note 1)		—	-376
Bonuses to directors and corporate auditors (Note 2)		—	-43
Net income		—	2,998
Purchase of treasury stock		—	-1
Change in items other than shareholders' equity during the period (net)	178	178	178
Total change during the period	178	178	2,755
Balance at February 28, 2007	340	340	19,169

Note: 1. Appropriation of profits approved at the ordinary general meeting of shareholders held in May 2006, and the dividend from retained earnings based on the resolution made at the Board of Directors meeting held in October 2006.

2. Appropriation of profits approved at the ordinary general meeting of shareholders held in May 2006.

Fiscal 2007 (from March 1, 2007 to February 29, 2008)

(Unit: Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at February 28, 2007	3,238	2,963	13,086	-460	18,828
Changes during the period					
Dividend from retained earnings			-694		-694
Net income			4,379		4,379
Purchase of treasury stock				-0	-0
Total change during the period	—	—	3,685	-0	3,684
Balance at February 29, 2008	3,238	2,963	16,772	-460	22,512

(Unit: Millions of yen)

	Valuation and translation adjustments, etc.			Total net assets
	Net unrealized gain (loss) on marketable securities	Foreign currency translation adjustment	Total valuation and translation adjustments, etc.	
Balance at February 28, 2007	340	—	340	19,169
Changes during the period				
Dividend from retained earnings		—	—	-694
Net income		—	—	4,379
Purchase of treasury stock		—	—	-0
Change in items other than shareholders' equity during the period (net)	-366	0	-365	-365
Total change during the period	-366	0	-365	3,319
Balance at February 29, 2008	-25	0	-24	22,488

(4) Consolidated Statements of Cash Flows

(Unit: Millions of yen)

Accounts	Fiscal year	Fiscal 2006 (From March 1, 2006 to February 28, 2007)	Fiscal 2007 (From March 1, 2007 to February 29, 2008)	Increase (Decrease)
		Amount	Amount	Amount
I. Cash flows from operating activities				
Income before income taxes		5,524	8,081	2,556
Depreciation and amortization		483	536	52
Amortization of goodwill		693	845	152
Change in allowance for bonuses		-266	1	267
Change in allowance for accrued retirement benefits		-1,674	-11	1,663
Change in allowance for bonuses for directors and corporate auditors		-5	-119	-113
Interest and dividend income		-31	-63	-31
Interest expense		116	107	-8
Gain on sale of investment securities		-92	-49	42
Loss on revaluation of memberships		—	23	23
Loss on disposal/sale of fixed assets		25	55	29
Loss from cancellation of company housing contracts, etc.		19	58	38
Loss on revaluation of investment securities		42	137	95
Change in trade accounts receivable		1,636	-902	-2,539
Change in trade accounts payable		-2,811	-47	2,763
Change in other accounts payable		229	1,271	1,041
Change in other accounts receivable		945	23	-922
Bonuses to directors and corporate auditors		-49	—	49
Others		-303	-815	-511
Subtotal		4,481	9,132	4,650
Interest and dividends received		30	61	30
Interest paid		-274	—	274
Income taxes paid		-2,557	-2,721	-163
Net cash provided by operating activities		1,680	6,472	4,792
II. Cash flows from investing activities				
Net change in time deposits		19	9	-10
Expenditure on purchases of tangible fixed assets		-423	-295	128
Proceeds from sale of tangible fixed assets		17	30	12
Expenditure on purchases of intangible fixed assets		-244	-254	-10
Expenditure on purchases of investment securities		-6	-137	-130
Proceeds from sale of investment securities		693	250	-443
Acquisition of stock of new subsidiaries		-15,512	—	15,512
Expenditure on deposits paid to affiliates for consumption		-20,000	-98,000	-78,000
Proceeds from return of deposits paid to affiliates for consumption		22,000	96,500	74,500
Expenditure on guarantee deposit payments		-69	-147	-78
Proceeds from collection of guarantee deposits		139	141	2
Others		-39	-288	-248
Net cash provided by (used in) investing activities		-13,426	-2,190	11,235

(Unit: Millions of yen)

Accounts	Fiscal Year	Fiscal 2006 (From March 1, 2006 to February 28, 2007)	Fiscal 2007 (From March 1, 2007 to February 29, 2008)	Increase (decrease)
		Amount	Amount	Amount
III. Cash flows from financing activities				
Proceeds from liquidation of future receivables		15,000	—	-15,000
Repayment of funds raised due to liquidation of future receivables		-3,600	-5,400	-1,800
Dividends paid		-377	-694	-316
Net change in treasury stock		-1	-0	0
Net cash provided by (used in) financing activities		11,021	-6,094	-17,115
IV. Effects of foreign exchange rate changes on cash and cash equivalents		—	0	0
V. Change in cash and cash equivalents		-724	-1,811	-1,086
V. Cash and cash equivalents at beginning of period		10,194	9,469	-724
VI. Cash and cash equivalents at end of period		9,469	7,657	-1,811