



Summary Report of Consolidated Financial Results for the First Nine Months of the Fiscal Year Ending February 28, 2010

January 6, 2010

Listed company name: AEON DELIGHT CO., LTD.

Listed exchanges: Tokyo Stock Exchange and
Osaka Securities Exchange (First Section)

Stock code: 9787

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

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Planned date for filing of
quarterly financial statements: January 13, 2010

Planned date for
commencement of —
dividend payments:

(Any amount less than one million yen has been rounded down.)

1. Consolidated Results for the First Nine Months of the Fiscal Year Ending February 28, 2010 (from March 1, 2009 to November 30, 2009)

(1) Consolidated Operating Results (cumulative)

(Figures expressed as a percentage represent year-on-year changes.)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended November 30, 2009	106,887	—	7,305	—	7,270	—	3,895	—
Nine months ended November 30, 2008	109,399	6.8	7,467	25.6	7,358	26.9	4,018	26.9

	Net Income per Share		Diluted Net Income per Share	
	Yen		Yen	
Nine months ended November 30, 2009	98	21	98	06
Nine months ended November 30, 2008	101	29	101	22

(2) Consolidated Financial Position

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of yen		Millions of yen		Millions of yen	%	Yen	
As of November 30, 2009	46,857		29,767		63.3		747	59
As of February 28, 2009	49,035		28,079		54.1		669	28

(Reference) Shareholders' equity As of Nov. 30, 2009: 29,657 million yen As of Feb. 28, 2009: 26,550 million yen

2. Dividends

(Record Date)	Dividends per Share				
	End of Q1	End of Q2	End of Q3	Year-end	Annual
Year Ended February 28, 2009	—	10 00	—	12 00	22 00
Year Ending February 28, 2010	—	12 00	—		
Year Ending February 28, 2010 (Forecast)				15 00	27 00

Note: Adjustments to dividend forecast made during the third quarter of the current fiscal year: None

3. Forecast of Consolidated Results for the Year Ending February 28, 2010 (from March 1, 2009 to February 28, 2010)

(Figures expressed as a percentage represent year-on-year changes.)

	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	
Full-year	150,000	3.0	10,100	1.5	9,900	0.9	5,200	6.6	131	08

Note: Adjustments to consolidated results forecast made during the third quarter of the current fiscal year: None

4. Other Remarks

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries : None resulting in a change in the scope of consolidation)

[Newly included: – (Company name:) Excluded: – (Company name:)]

Note: Following the acquisition of shares in Kankyouseibi Co., Ltd. in October 2008, the Company acquired shares in Do Service Co., Ltd. on April 1, 2009, and included this firm in the scope of consolidation.

(2) Application of simplified accounting methods and accounting methods specific to the : Yes preparation of quarterly consolidated financial statements:

[Note: For more details, please refer to “4. Other Remarks” in the “Qualitative Information and Financial Statements” section on page 5.]

(3) Change in accounting principles and procedures, and the methods of presentation used in the preparation of quarterly consolidated financial statements (matters to be described in the section for “changes in significant items that constitute the basis for preparing quarterly consolidated financial statements”)

1) Change arising from revisions of : Yes accounting standards

2) Change due to reasons other than : No those described in “1)” above

[Note: For more details, please refer to “4. Other Remarks” in the [Qualitative Information and Financial Statements] section on page 5.]

(4) Number of shares issued (common stock)

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

As of Nov. 30, 2009:	41,400,000	As of Feb. 28, 2009:	41,400,000
	shares		shares

2) Number of treasury shares at end of period:

As of Nov. 30, 2009:	1,729,838	As of Feb. 28, 2009:	1,729,647
	shares		shares

3) Average number of shares during the period (quarterly cumulative)

Nine months ended	39,668,901	Nine months ended	39,670,546
Nov. 30, 2009:	shares	Nov. 30, 2009:	shares

* Information concerning proper use of financial forecasts and other special instructions

(1) Effective from fiscal year ending February 28, 2010, the Company applies the "Accounting Standard for Quarterly Financial Reporting" (ASBJ Statement No.12) and the "Guidance on Accounting Standard for Quarterly Financial Reporting" (ASBJ Guidance No. 14). The Company also prepares its quarterly consolidated financial statements in accordance with the "Regulations on Quarterly Consolidated Financial Statements."

(2) The financial forecast provided in the preceding section was prepared based on the information available as of the time of publication of this report. Actual results may differ from the forecast due to various factors that may arise in the future. For information on financial forecasts, please refer to “3. Qualitative Information on Forecast of Consolidated Results” in the “Qualitative Information and Financial Statements” section on page 5.

[Qualitative Information and Financial Statements]

1. Qualitative Information on Consolidated Operating Results

During the first nine months of the fiscal year ending February 28, 2010 (from March 1, 2009 to November 30, 2009), the global economy saw the prices of various types of goods erode in tandem with shrinking demands worldwide. In Japan, too, prices continued to fall in a similar fashion, which then brought on a decline in service prices, preventing AEON DELIGHT and its consolidated subsidiaries (the "Group") from leaving these difficulties behind. Against this backdrop, the Group has taken the following series of initiatives.

With the organizational change effective September 1, which was designed to further reinforce the sales function for the second half of the current fiscal year, the Group took an aggressive marketing approach toward customer businesses and corporate groups, who are becoming increasingly conscious of facility management costs and the importance of reducing environmental impacts. Through such efforts, the Group entered into business relationships with a wider range of customers with the objective of providing its services for various types of buildings, including large-scale commercial complexes in the Kansai region, manufacturing plants and related facilities of leading companies, global IT (information technology) enterprise office buildings, and commercial facilities at service/parking areas of expressways, which are attracting greater users due to the discount on highway tolls.

In addition, since the establishment of an "Environmental Business Division" on September 1 as to make the environmental business our fourth core business, the Group has actively offered comprehensive solutions to customers concerning how to reduce environmental impact from the standpoint of a building maintenance specialist. By setting up a "Solar Business Promotion Project" under the new division, the Group is focusing its attention on the development of a framework and the accumulation of expertise to expedite the installation of solar energy generation systems.

With the aim of consolidating its corporate resilience through improvements in profitability, the Group has spread its new standards for cleaning services developing last year to its operation sites throughout the nation, while simultaneously remaining committed to ensuring fair contract prices and reforming working styles.

As a result, the Group recorded consolidated net sales of 106,887 million yen (down 2.3% year on year), operating income of 7,305 million yen (down 2.2%), ordinary income of 7,270 million yen (down 1.2%), and net income of 3,895 million yen (down 3.0%).

Results by business segment are summarized below:

The Building Management segment as a whole generated net sales of 102,991 million yen (down 2.1% year on year), which comprises 31,533 million yen (up 0.8%) from facility management services, 25,816 million yen (down 6.0%) from security services, 34,241 million yen (up 10.2%) from cleaning services, and 11,400 million yen (down 25.9%) from construction work. Despite solid performance of the first three sub-segments, the construction work sub-segment was sluggish as most of its orders were one-off. This was primarily due to postponement of investment in plant and equipment. Net sales from other operations amounted to 3,895 million yen (down 7.8%).

Note: The year-on-year comparison data included in the "Qualitative Information on Consolidated Operating Results" section are provided for the purpose of reference only.

2. Qualitative Information on Consolidated Financial Position

Total assets as of November 30, 2009 decreased by 2,178 million yen (4.4%) compared with the balance at the end of the previous fiscal year to 46,857 million yen. The main reason for this was a decrease of 1,300 million yen in trade notes and accounts receivable, and a decrease of 478 million yen from amortization and recording of goodwill, partially offset by gain on revaluation of investment securities amounting to 280 million yen.

Liabilities decreased by 3,866 million yen (18.5%) from the balance at the end of the previous fiscal year to 17,089 million yen. The decrease is primarily attributable to the repayment of funds raised from liquidation of future receivables amounting to 1,500 million yen, a decrease of 1,479 million yen in trade notes and accounts payable, a decrease of 1,136 million yen in accounts payable, and a decrease of 962 million yen in income taxes payable, partially offset by an increase of 1,335 million yen in provision for bonuses.

Net assets increased by 1,688 million yen (6.0%) from the balance at the end of the previous fiscal year to 29,767 million yen. This resulted mainly from an increase of 3,895 million yen in retained earnings from the posting of net income for the first nine months of the current fiscal year, a decrease of 952 million yen in retained earnings due to dividend payments, a decrease of 1,456 million yen in minority interests due to the acquisition of additional shares in consolidated subsidiaries, and an increase of 161 million yen in valuation difference on available-for-sales securities on market valuation of investment securities.

As a result, the shareholders' equity ratio rose 9.2 percentage points from 54.1% at the end of the previous fiscal year to 63.3% as of November 30, 2009.

Cash Flows

The balance of cash and cash equivalents (hereinafter referred to as "cash") as of November 30, 2009 increased by 13 million yen (0.2%) compared to the balance at the end of the previous fiscal year, as the balance increased by 7,215 million yen due to posting of income before income taxes and minority interests and by 2,063 million yen due to a decrease in trade notes and accounts receivable, while the balance decreased by 4,234 million yen due to the payment of corporate income taxes, by 1,889 million yen due to a decrease in trade notes and accounts payable, by 1,608 million yen from the acquisition of additional shares in consolidated subsidiaries, and by 1,500 million yen due to the repayment of funds raised from liquidation of future receivables.

As a result, the cash balance stood at 6,983 million yen as of November 30, 2009.

Summarized below are cash flows broken down into categories and their underlying factors in the first nine months of the current fiscal year.

(Cash flows from operating activities)

Net cash provided by operating activities in the first nine months of the current fiscal year was 4,306 million yen. Primary contributing factors to the net cash inflow were income before income taxes of 7,215 million yen posted for the first nine months, an increase of 2,063 million yen due to a decrease in trade notes and accounts receivable, an increase of 1,335 million yen due to the provision for bonuses, an increase of 1,226 million yen due to depreciation and amortization and goodwill amortization, which was partially offset by a decrease of 4,234 million yen due to the payment of corporate income taxes, a decrease of 1,889 million yen due to a decrease in trade notes and accounts payable, and a decrease of 880 million yen due to a decrease in accounts payable.

(Cash flows from investing activities)

Net cash used in investing activities in the first nine months was 140 million yen. Major factors behind the net cash outflow were an inflow of 1,000 million yen from the expenditure on and return of deposits for consumption under bailment arrangements with affiliates, an inflow of 806 million yen from the refund of time deposits, an outflow of 1,608 million yen for the acquisition of additional shares in consolidated subsidiaries, and an outflow of 448 million yen for the acquisition of property, plant and equipment.

(Cash flows from financing activities)

Net cash used in financing activities in the first nine months was 4,153 million yen. This resulted principally from an outflow of 1,500 million yen for the repayment of funds raised from liquidation of future receivables, a net decrease of 983 million yen in short-term loans payable, an outflow of 952 million yen due to dividend payments, and the repayment of long-term loans payable of 691 million yen.

3. Qualitative Information on Forecast of Consolidated Results

While its construction work and other businesses are expected to experience rough going as the economic environment remains unpredictable, the Group aims to meet its earnings forecast for the fiscal year ending February 28, 2010, which was announced on April 6, 2009.

4. Other Remarks

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in a change in the scope of consolidation): None
- (2) Simplified accounting methods
Method for estimating credit losses on general receivables:
Since the difference between the actual credit loss ratio as of November 30, 2009 and the ratio computed at the end of the previous fiscal year was deemed insignificant, the actual credit loss ratio at the end of fiscal 2009 was used in estimating credit losses.
- (3) Application of accounting methods specific to the preparation of quarterly consolidated financial statements: None
- (4) Changes in accounting principles and procedures, and the methods of presentation used in the preparation of quarterly consolidated financial statements
 - 1) Application of the Accounting Standard for Quarterly Financial Reporting
Effective from the fiscal year ending February 28, 2010, the Company applies the "Accounting Standard for Quarterly Financial Reporting" (ASBJ Statement No. 12) and the "Guidance on Accounting Standard for Quarterly Financial Reporting" (ASBJ Guidance No. 14). The Company also prepares its quarterly consolidated financial statements in accordance with the "Regulations on Quarterly Consolidated Financial Statements."
 - 2) Application of the Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements
Effective from the first quarter of the fiscal year ending February 28, 2010, the Company applies the "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements" (ASBJ Practical Issues Task Force No. 18, issued on May 17, 2006) and made necessary adjustments in its consolidated financial statements.
The impact of the application of the new rule on the Company's profit and loss account is insignificant.

5. Consolidated Financial Statements
 (1) Consolidated Balance Sheet

(Unit: Millions of yen)

	Q3 FY02/2010 (As of Nov.30 2009)	FY02/2009 (As of Feb.28 2009)
Assets		
Current assets		
Cash and deposits	7,074	6,991
Notes and accounts receivable-trade	16,724	18,025
Other	4,753	5,322
Allowance for doubtful accounts	△120	△188
Total current assets	28,431	30,150
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	723	762
Land	386	475
Other, net	1,437	1,364
Total property, plant and equipment	2,548	2,602
Intangible assets		
Goodwill	11,496	11,974
Other	618	649
Total intangible assets	12,114	12,623
Investments and other assets		
Investment securities	2,011	1,730
Other	1,925	2,100
Allowance for doubtful accounts	△173	△172
Total investments and other assets	3,762	3,658
Total noncurrent assets	18,425	18,885
Total assets	46,857	49,035

(Unit: Millions of yen)

	Q3 FY02/2010 (As of Nov.30 2009)	FY02/2009 (As of Feb.28 2009)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	9,071	10,551
Short-term loans payable	89	163
Current portion of long-term loans payable	25	25
Liquidation of claims credit loans payable	—	1,500
Income taxes payable	1,423	2,385
Provision for bonuses	2,158	823
Provision for reward of business performance	67	—
Provision for directors' bonuses	—	103
Other	3,372	4,578
Total current liabilities	16,208	20,131
Noncurrent liabilities		
Long-term loans payable	37	56
Provision for retirement benefits	607	557
Provision for directors' retirement benefits	60	57
Other	174	153
Total noncurrent liabilities	881	824
Total liabilities	17,089	20,956
Net assets		
Shareholders' equity		
Capital stock	3,238	3,238
Capital surplus	2,964	2,963
Retained earnings	23,796	20,852
Treasury stock	△461	△461
Total shareholders' equity	29,537	26,592
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	130	△30
Foreign currency translation adjustment	△11	△11
Total valuation and translation adjustments	119	△42
Subscription rights to shares	110	72
Minority interests	—	1,456
Total net assets	29,767	28,079
Total liabilities and net assets	46,857	49,035

(2) Consolidated Statement of Income

(Unit: Millions of yen)

	Nine months from Mar 1 2009 to Nov.30, 09
Net sales	106,887
Cost of sales	90,967
Gross profit	15,919
Selling, general and administrative expenses	8,614
Operating income	7,305
Non-operating income	
Interest income	21
Dividends income	27
Subsidy income	7
Other	12
Total non-operating income	68
Non-operating expenses	
Interest expenses	17
Equity in losses of affiliates	4
Loss on cancellation of company housing	25
Compensation for accident expenses	20
Loss on retirement of noncurrent assets	15
Adjustment of labor insurance exepenses	9
Other	11
Total non-operating expenses	103
Ordinary income	7,270
Extraordinary income	
Reversal of allowance for doubtful accounts	65
Compensation income	54
Surrender profit of insurance	22
Other	4
Total extraordinary income	146
Extraordinary loss	
Impairment loss	193
Other	7
Total extraordinary losses	201
Income before income taxes and minority interests	7,215
Income taxes-current	3,310
Income taxes-deferred	△41
Total income taxes	3,268
Minority interests in income	50
Net income	3,895

(3) Consolidated Statement of Cash Flows

(Unit: Millions of yen)

	Nine months from Mar 1 2009 to Nov.30, 09
Net cash provided by (used in) operating activities	
Income before income taxes and minority interests	7,215
Depreciation and amortization	561
Amortization of goodwill	665
Impairment loss	193
Increase (decrease) in provision for bonuses	1,335
Increase (decrease) in provision for retirement benefits	33
Increase (decrease) in provision for directors' retirement benefits	3
Interest and dividends income	△48
Interest expenses	17
Decrease (increase) in notes and accounts receivable-trade	2,063
Increase (decrease) in notes and accounts payable-trade	△1,889
Increase (decrease) in accounts payable-other	△880
Decrease (increase) in accounts receivable-other	48
Other, net	△813
Subtotal	8,504
Interest and dividends income received	49
Interest expenses paid	△12
Income taxes paid	△4,234
Net cash provided by (used in) operating activities	4,306
Net cash provided by (used in) investment activities	
Proceeds from withdrawal of time deposits	806
Payments into time deposits	△91
Purchase of property, plant and equipment	△448
Proceeds from sales of property, plant and equipment	39
Purchase of intangible assets	△94
Purchase of investments in subsidiaries	△1,608
Proceeds from purchase of investments in subsidiaries resulting in change in scope of consolidation	125
Payments for deposit of subsidiaries and affiliates	△61,300
Collection of deposit of subsidiaries and affiliates	62,300
Other, net	130
Net cash provided by (used in) investment activities	△140
Net cash provided by (used in) financing activities	
Net increase (decrease) in short-term loans payable	△983
Repayment of long-term loans payable	△691
Liquidation of claims credit loans payable	△1,500
Cash dividends paid	△952
Other, net	△26
Net cash provided by (used in) financing activities	△4,153
Effect of exchange rate change on cash and cash equivalents	△0
Net increase (decrease) in cash and cash equivalents	13
Cash and cash equivalents at beginning of period	6,970
Cash and cash equivalents at end of period	6,983

Effective from the fiscal year ending February 28, 2010, the Company applies the "Accounting Standard for Quarterly Financial Reporting" [Accounting Standard Board of Japan (ASBJ) Statement No.12] and the "Guidance on Accounting Standard for Quarterly Financial Reporting" (ASBJ Guidance No. 14). The Company also prepares its quarterly consolidated financial statements in accordance with the "Regulations on Quarterly Consolidated Financial Statements."

(4) Note on the going concern assumption: None

(5) Note on significant changes in shareholders' equity: None

[Reference Information]

Financial Statements for the third quarter of the fiscal year ended February 28, 2009

(1) Interim Consolidated Statements of Income

(Unit: Millions of yen)

Account	Interim period of the previous fiscal year (From March 1, 2008 to August 31, 2008)
I. Net sales	109,399
II. Cost of sales	93,742
Gross profit	15,657
III. Selling, general, and administrative expenses	8,189
Operating income	7,467
IV. Non-operating income	77
V. Non-operating expenses	186
Ordinary income	7,358
VI. Extraordinary loss	117
Net income before income taxes and minority interests	7,241
Current income taxes	3,536
Deferred income taxes	△313
Net income	4,018

(2) Interim Consolidated Statements of Cash Flows

(Unit: millions of yen)

Category	Interim period of the previous fiscal year (From March 1, 2008 to August 31, 2008)
I. Cash flows from operating activities	
Net income before income taxes	7,241
Depreciation and amortization	420
Total assets and liabilities	578
Others	822
Subtotal	9,063
Income taxes paid	△4,524
Others	51
Net cash provided by operating activities	4,589
II. Cash flows from investing activities	
Balance of securities	△3
Balance of tangible fixed assets	△188
Expenditure on acquisition of subsidiaries	△452
Others	△694
Net cash used in investing activities	△1,338
III. Cash flows from financing activities	
Payment on treasury stock	△0
Dividends paid	△792
Others	△3,375
Net cash used in financing activities	△4,168
IV. Foreign currency translation adjustments on cash and cash equivalents	△0
V. Change in cash and cash equivalents	△917
VI. Cash and cash equivalents at beginning of period	7,657
VII. Cash and cash equivalents at end of period	6,740