FY2024 1H (Apr. - Sept. 2024)

Financial Results

Duskin Co., Ltd.

November 22, 2024

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Highlights of Consolidated Financial Results (YoY comparison / vs. forecast)

YoY comparison: All business segments including the Direct Selling Group, Food Group and Other Businesses posted higher sales, resulting in a 6.9% year-on-year increase in consolidated net sales. Operating profit also increased, mainly due to higher sales in the Food Group and lower costs resulting from the completion of RFID installation.

Vs. announced forecast: Sales were slightly lower than forecast in the Direct Selling Group but significantly higher in the Food Group. Profits were significantly higher in the Food Group, while the Direct Selling Group posted profits that were much lower than projected due to the significant impact of soaring raw material and logistics costs. As a result, consolidated operating profit was much lower than forecast.

Millions of yen

	1H FY2023 [1]		Forecast announced on May 15, 2024 [2]		1H FY2024 [3]					
							YoY [3] - [1]		Vs. forecast [3] - [2]	
		Profit margin		Profit margin		Profit margin		Percentage change		Percentage change
Net sales	85,821	–	89,900	–	91,727	–	+5,906	+6.9%	+1,827	+2.0%
Operating profit	2,947	3.4%	5,400	6.0%	3,924	4.3%	+976	+33.1%	-1,475	-27.3%
Ordinary profit	4,104	4.8%	7,000	7.8%	5,503	6.0%	+1,399	+34.1%	-1,496	-21.4%
Profit attributable to owners of the parent	2,648	3.1%	4,900	5.5%	3,490	3.8%	+841	+31.8%	-1,409	-28.8%
EPS (Yen)	54.97	–	101.83	–	72.98	–	+18.01	+32.8%	-28.85	-28.3%

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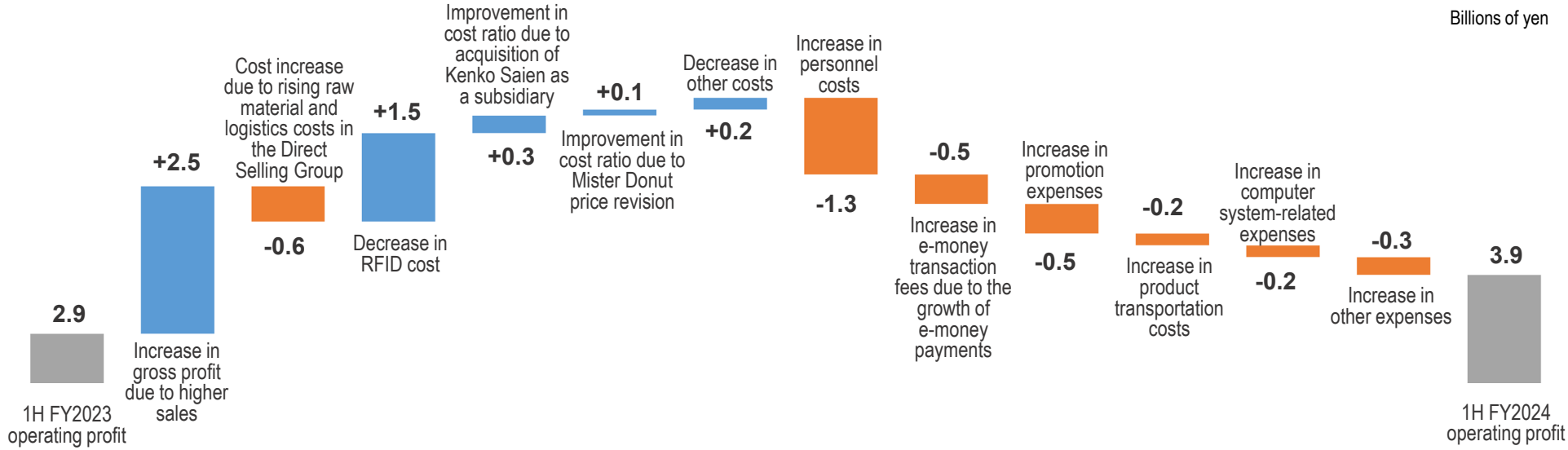
Year-on-Year Comparison

Millions of yen

		1H FY2023 [1]		1H FY2024 [2]		YoY [2] - [1]	
			Profit margin		Profit margin		Percentage change
Direct Selling Group	Net sales	53,434	–	53,743	–	+309	+0.6%
	Operating profit	2,620	4.9%	3,073	5.7%	+453	+17.3%
Food Group	Net sales	25,944	–	31,168	–	+5,223	+20.1%
	Operating profit	3,109	12.0%	3,754	12.0%	+645	+20.8%
Other Businesses	Net sales	7,799	–	8,241	–	+441	+5.7%
	Operating profit	243	3.1%	313	3.8%	+69	+28.7%
Intersegment elm. and corporate exp.	Net sales	-1,357	–	-1,425	–	-67	–
	Operating profit	-3,025	–	-3,217	–	-192	–
Consolidated	Net sales	85,821	–	91,727	–	+5,906	+6.9%
	Operating profit	2,947	3.4%	3,924	4.3%	+976	+33.1%

Factors affecting increase/decrease in consolidated operating profit



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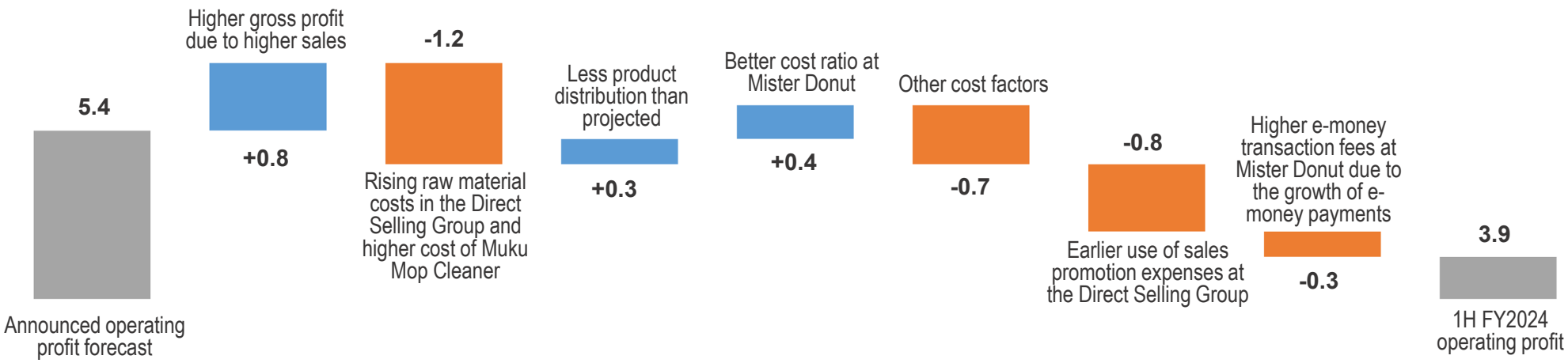
Results Versus Forecast

Millions of yen

		Forecast by segment announced on May 15, 2024 [1]		1H FY2024 [2]		Vs. forecast [2] - [1]	
			Profit margin		Profit margin		Percentage change
Direct Selling Group	Net sales	54,100	–	53,743	–	-356	-0.7%
	Operating profit	5,500	10.2%	3,073	5.7%	-2,426	-44.1%
Food Group	Net sales	29,200	–	31,168	–	+1,968	+6.7%
	Operating profit	2,900	9.9%	3,754	12.0%	+854	+29.5%
Other Businesses	Net sales	8,000	–	8,241	–	+241	+3.0%
	Operating profit	300	3.8%	313	3.8%	+13	+4.4%
Intersegment elm. and corporate exp.	Net sales	-1,400	–	-1,425	–	-25	–
	Operating profit	-3,300	–	-3,217	–	+82	–
Consolidated	Net sales	89,900	–	91,727	–	+1,827	+2.0%
	Operating profit	5,400	6.0%	3,924	4.3%	-1,475	-27.3%

Factors affecting the change in consolidated operating profit from the forecast

Billions of yen



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Consolidated Balance Sheet Summary

Millions of yen

	As of Mar. 31, 2024	As of June 30, 2024	
			YoY change
Cash and deposits	14,434	14,695	+261
Trade receivables	11,158	10,986	-171
Inventories	11,607	11,838	+230
Securities	12,200	9,000	-3,200
Other	9,903	10,505	+602
Total current assets	59,305	57,026	-2,278
Property, plant and equipment	50,489	50,237	-251
Intangible assets	7,414	7,674	+259
Investment securities	73,877	70,092	-3,785
Other	11,008	11,113	+105
Investments and other assets	84,885	81,206	-3,679
Total non-current assets	142,789	139,117	-3,671
Total assets	202,094	196,144	-5,950
Trade payables	7,800	7,111	-688
Other	28,978	28,700	-277
Total current liabilities	36,778	35,812	-966
Long-term borrowings	747	472	-275
Other	10,099	9,473	-625
Total non-current liabilities	10,847	9,946	-901
Total liabilities	47,626	45,758	-1,867
Share capital	11,352	11,352	±0
Retained earnings	122,533	122,875	+342
Treasury shares	-5,464	-8,662	-3,198
Valuation difference on AFS securities	11,342	10,524	-818
Other	14,704	14,295	-408
Total net assets	154,468	150,386	-4,082
Total liabilities and net assets	202,079	196,144	-5,950

Current assets

Securities decreased, mainly due to a decrease in the amount of money held in jointly managed money trust.

Non-current assets

Investment securities decreased, mainly due to the partial sale of shares held, a decrease in unrealized gains on shares held and the redemption of bonds under management.

Current liabilities

Notes and accounts payable-trade and accounts payable-other decreased.

Net assets

The Company repurchased 927,500 shares (amounting to 3,436 million yen).

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Business Performance Summary (YoY comparison / vs. forecast)

Millions of yen

	1H FY2023 [1]		Forecast announced on May 15, 2024 [2]		1H FY2024 [3]					
							YoY [3] - [1]		Vs. forecast [3] - [2]	
		Profit margin		Profit margin		Profit margin		Percentage change		Percentage change
Net sales	53,434	–	54,100	–	53,743	–	+309	+0.6%	-356	-0.7%
Operating profit	2,620	4.9%	5,500	10.2%	3,073	5.7%	+453	+17.3%	-2,426	-44.1%

Net sales (YoY comparison)

- While sales in the mainstay Clean Service and Rent-All businesses declined, Care Service, the uniform-related business, cosmetic-related business, Life Care and Health Rent all posted higher sales.
- Higher sales at Rescue Service, an emergency locksmith service, also contributed to the results.
- Within Clean Service, the decline in the number of customers in the residential market narrowed, thanks to new customers acquired via dedicated household sales teams and online sales channels. In the commercial market, sales of mop products increased, partly due to the contribution of sales of the new Antibacterial Electron handheld mop, while sales of mainstay mat products declined slightly.

Net sales (vs. forecast)

- While sales in Care Service and several other businesses were generally in line with projections, Clean Service posted lower-than-expected sales, resulting in overall sales that were slightly below projection.

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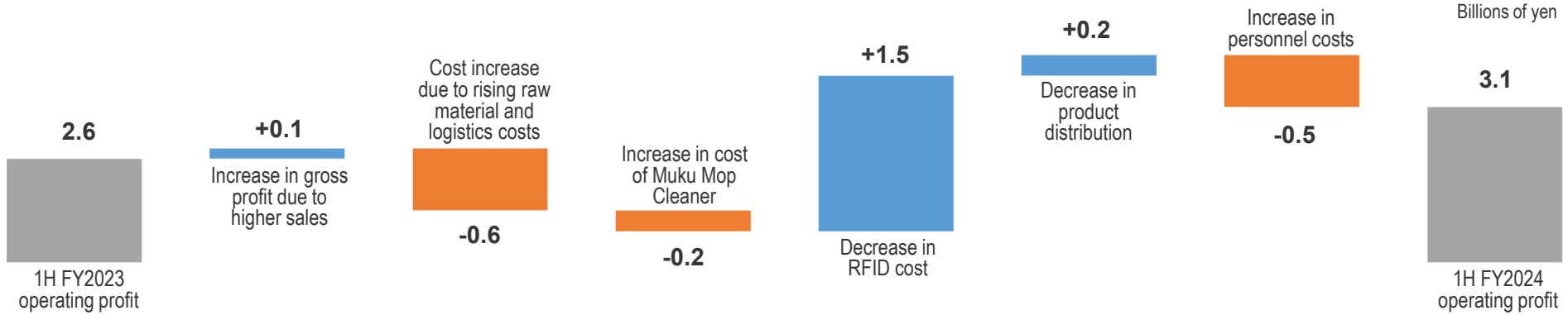
Operating Profit (YoY comparison / vs. forecast)

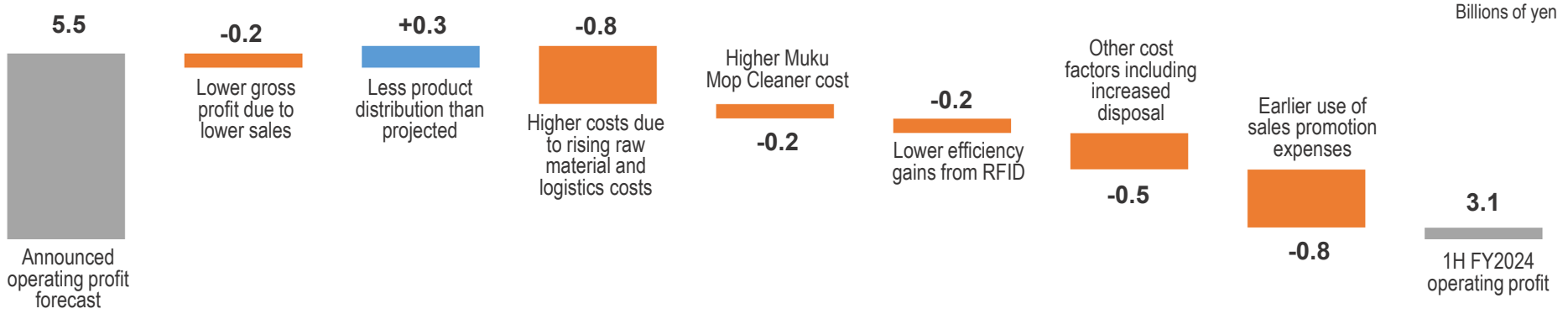
YoY comparison

Operating profit of the Direct Selling Group was significantly affected by higher raw material and logistics costs, but the cost-to-sales ratio improved mainly due to lower costs resulting from the completion of RFID tag installation. Personnel costs increased mainly due to regular salary increases and increased bonuses.



Vs. forecast

The main reasons for the lower-than-projected operating profit were higher-than-expected raw material and logistics costs and earlier-than-planned use of sales promotion expenses. There was also a delay (due to the Noto Peninsula earthquake) in seeing efficiency gains from RFID tag installation.



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Business Performance Summary (YoY comparison / vs. forecast)

Millions of yen

	1H FY2023 [1]		Forecast announced on May 15, 2024 [2]		1H FY2024 [3]					
							YoY [3] - [1]		Vs. forecast [3] - [2]	
		Profit margin		Profit margin		Profit margin		Percentage change		Percentage change
Net sales	25,944	–	29,200	–	31,168	–	+5,223	+20.1%	+1,968	+6.7%
Operating profit	3,109	12.0%	2,900	9.9%	3,754	12.0%	+645	+20.8%	+854	+29.5%

Net sales (YoY comparison)

- Mister Donut continued to perform well. Customer-level sales exceeded the same month of the previous year for 26 consecutive months.
  - Customer-level sales at all shops: +15.8% y-o-y
  - Customer-level sales at existing shops: +13.9% y-o-y
  - Number of shops in operation increased by 13 (from 1,017 to 1,030) from the end of the previous fiscal year
  - Number of customers visiting shops: +10.3%; average spend per customer: +5.4%
- Profit from Kenko Saien Group, which became a subsidiary in the previous fiscal year, is included as of the current fiscal year.

Net sales (vs. forecast)

- The number of customers visiting shops increased even after the July 3, 2024 price revision of 19 regular products including Pont De Ring and Old Fashion.
- Sales were much higher than forecast, thanks in part to the coverage of Mister Donut in a commercial TV program.

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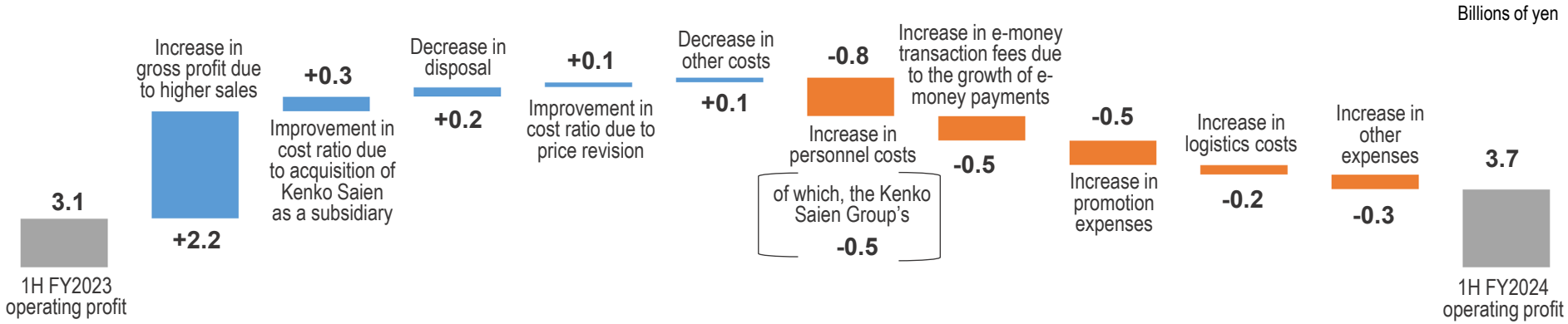
Operating Profit (YoY comparison / vs. forecast)

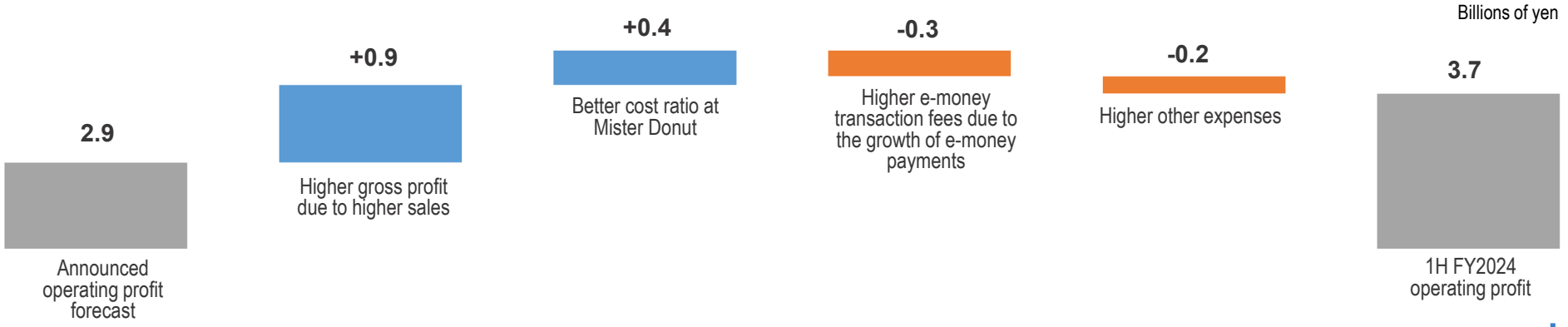
YoY comparison

Operating profit increased due to an increase in gross profit resulting from higher sales. Profits from Kenko Saien Co., Ltd. also contributed to the improvement in the cost ratio. Fees for electronic payments increased due to an increase in such transactions. Advertising expenses also increased.



Vs. forecast

Thanks to higher-than-projected sales, gross profit was also higher than projected.



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Business Performance Summary (YoY comparison / vs. forecast)

Millions of yen

	1H FY2023 [1]		Forecast announced on May 15, 2024 [2]		1H FY2024 [3]		YoY [3] - [1]		Vs. forecast [3] - [2]	
		Profit margin		Profit margin		Profit margin		Percentage change		Percentage change
Net sales	7,799	–	8,000	–	8,241	–	+441	+5.7%	+241	+3.0%
Operating profit	243	3.1%	300	3.8%	313	3.8%	+69	+28.7%	+13	+4.4%

Net sales / operating profit (YoY comparison)

- Duskin Kyoeki increased both sales and profits. Duskin Healthcare reported an increase in sales but a decrease in profits due to higher labor costs.
- Overseas, sales at Duskin Shanghai and Big Apple increased year-on-year, contributed by the weaker yen. Mister Donut Singapore, which started operations in the previous fiscal year, performed well, and sales of ingredients from Japan increased.

Net sales / operating profit (vs. forecast)

Mister Donut Singapore opened more shops than planned, which led to higher-than-projected sales of donut ingredients.

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FY2024 Consolidated Earnings Forecast (revised/announced on November 5. 2024)

Millions of yen

	FY2023 [1]		Pre-revision [2] (announced on May 15, 2024)		Post-revision [3] (announced on Nov. 5, 2024)		YoY [3] - [1]		Revised amount [3] - [2]	
		Profit margin		Profit margin		Profit margin		Percentage change		Revision rate
Net sales	178,782	–	189,000	–	190,300	–	+11,517	+6.4%	+1,300	+0.7%
Operating profit	5,084	2.8%	10,700	5.7%	7,700	4.0%	+2,615	+51.4%	-3,000	-28.0%
Ordinary profit	7,863	4.4%	14,100	7.5%	10,700	5.6%	+2,836	+36.1%	-3,400	-24.1%
Profit attributable to owners of the parent	4,574	2.6%	10,000	5.3%	8,600	4.5%	+4,025	+88.0%	-1,400	-14.0%
EPS (Yen)	95.01	–	207.81	–	180.06	–	+85.05	+89.5%	-27.75	-13.4%

Note:
We intend to sell some of our strategically-held shares in the 2H of the year as planned, and after factoring in the gain from such sales, we expect only a 1.4 billion yen downward revision from our full-year forecast of profit attributable to owners of the parent.

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FY2024 Earnings Forecast by Segment

Millions of yen

		2H FY2024						FY2024 (full year)									
		Forecast announced on May 15, 2024 [1]		Revised forecast announced on Nov. 5, 2024 [2]		Revised amount [2] - [1]		FY2023 results [3]		Forecast announced on May 15, 2024 [4]		Revised forecast announced on Nov. 5, 2024 [5]		YoY [5] - [3]		Revised amount [5] - [4]	
			Profit margin		Profit margin		Revision rate		Profit margin		Profit margin		Profit margin		Percentage change		Revision rate
Direct Selling Group	Net sales	55,900	–	55,456	–	-443	-0.8%	107,464	–	110,000	–	109,200	–	+1,735	+1.6%	-800	-0.7%
	Operating profit	5,300	9.5%	3,826	6.9%	-1,473	-27.8%	4,142	3.9%	10,800	9.8%	6,900	6.3%	+2,757	+66.6%	-3,900	-36.1%
Food Group	Net sales	36,500	–	36,431	–	-68	-0.2%	58,437	–	65,700	–	67,600	–	+9,162	+15.7%	+1,900	+2.9%
	Operating profit	4,100	11.2%	4,045	11.1%	-54	-1.3%	6,916	11.8%	7,000	10.7%	7,800	11.5%	+883	+12.8%	+800	+11.4%
Other Businesses	Net sales	8,100	–	8,058	–	-41	-0.5%	15,646	–	16,100	–	16,300	–	+653	+4.2%	+200	+1.2%
	Operating profit	300	3.7%	286	3.6%	-13	-4.4%	440	2.8%	600	3.7%	600	3.7%	+159	+36.2%	+0	+0.0%
Intersegment elm. and corporate exp.	Net sales	-1,400	–	-1,374	–	+25	–	-2,766	–	-2,800	–	-2,800	–	-33	–	+0	–
	Operating profit	-4,400	–	-4,382	–	+17	–	-6,415	–	-7,700	–	-7,600	–	-1,184	–	+100	–
Consolidated	Net sales	99,100	–	98,572	–	-527	-0.5%	178,782	–	189,000	–	190,300	–	+11,517	+6.4%	+1,300	+0.7%
	Operating profit	5,300	5.3%	3,775	3.8%	-1,524	-28.8%	5,084	2.8%	10,700	5.7%	7,700	4.0%	+2,615	+51.4%	-3,000	-28.0%

What We Expect in the 2H

For the 2H, we expect sales to be in line with the initial projection, except for the Direct Selling Group, whose sales forecast was revised downward in light of sales trends in the 1H. We expect operating profit for the 2H to be 1.5 billion yen lower than the initial forecast, in contrast to the 1H result, which was 2.4 billion yen lower than forecast. We expect raw material and logistics costs to continue to rise in the 2H, but we assume that cost savings will contribute to improved profits. The Food Group's 1H business results were largely attributable to the coverage of Mister Donut in a commercial TV program, but if this is not taken into account, the results were largely in line with the plan. The 2H results are also expected to be in line with the initial plan.

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Returns to Shareholders

Shareholder Return Policy during the Medium-Term Management Policy 2022 Period

- In addition to the payment of dividends, we will actively repurchase company shares in a timely and flexible manner. Our policy is to provide a profit return targeting a cumulative three-year total return ratio of 100% or higher.
- Our basic policy for shareholder return is to distribute profits in line with business performance while taking financial soundness into full consideration. The annual dividend payout is based on a consolidated dividend payout ratio of 60% or a dividend on equity (DOE) of 2.5%, whichever amount is higher.

Results during the Medium-Term Management Policy 2022 period (Cumulative)

Millions of yen

		FY2022 results	FY2023 results	FY2024 projections	3-year total
Dividend	Ordinary dividend	4,350 (88 yen per share)	3,874 (80 yen per share)	5,160 (110 yen per share)	13,385
	Commemorative dividend	–	968 (20 yen per share) *	–	968
		4,350	4,842	5,160	14,353
Share repurchase		3,303 (1,094,000 shares repurchased)	1,696 (527,000 shares repurchased)	5,000 (1,351,000 shares repurchased)	9,999
Total shareholder return		7,654	6,538	10,160	24,353
Total return ratio		106.4%	143.0%	118.1%	119.5%

* 60th anniversary commemorative dividend

Note: The number of shares to be acquired is estimated at 3,700 yen per share.

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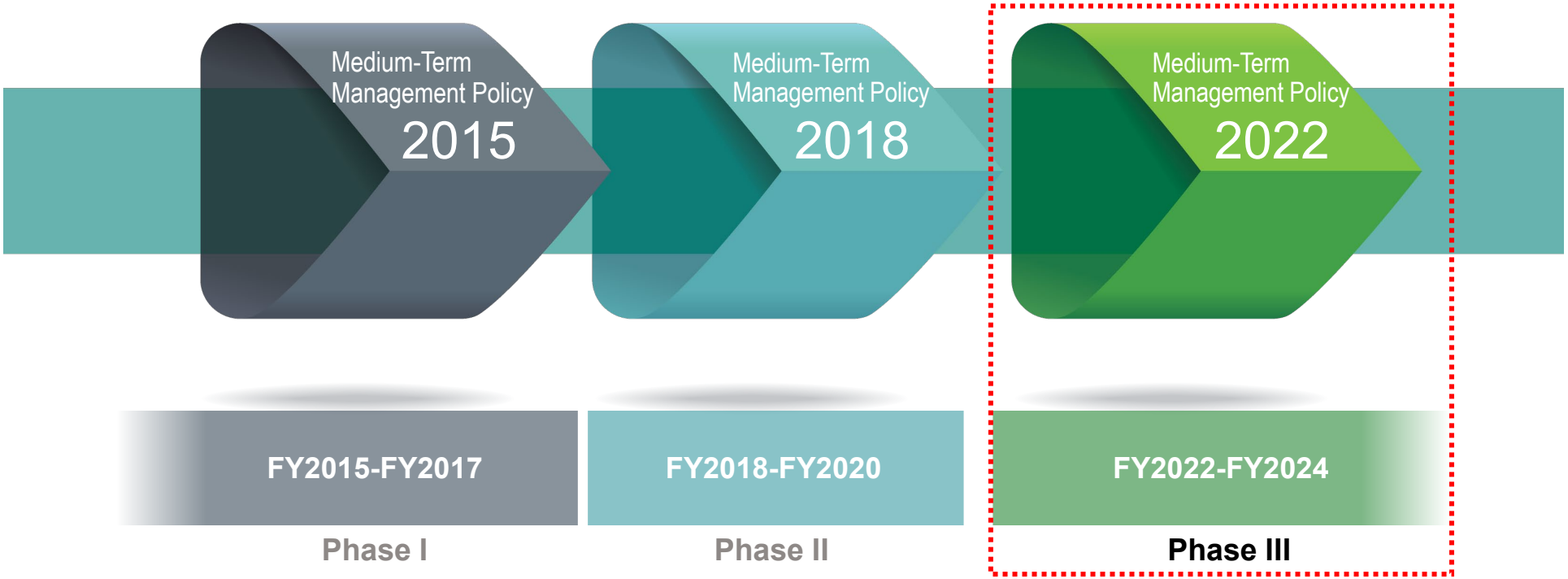
Medium-Term Management Policy 2022 Initiatives

Moving Toward ONE DUSKIN's Third and Final Phase

ONE DUSKIN

The most attentive service provider in the world

Our three-year business plan,
Medium-Term Management Policy 2022,
will span the three years
from FY2022 to FY2024.



We are committed to implementing the initiatives within Phase III marking the completion of our long-term strategy ONE DUSKIN while further solidifying the foundation established during Phases I and II. We will make every effort to remain valuable to society and thereby to expand our corporate value.

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Three Strategic Themes

Theme 1 | Reforming our business portfolios

Reforming our business portfolios to address the changing business climate and solve social issues

- Reforming and expanding existing businesses
  Expanding our areas of business and boosting the value chain by bringing new products and services to market
- Investment in new growth opportunities
  Creating social values by contributing to the resolution of pending social issues

Theme 2 | Establishing a solid foundation

Solidifying our business base to enhance corporate value

- Strengthening human and technology resources; reinforcing management systems for our organization and businesses

Theme 3 | Coexistence with local communities

Actions towards a sustainable society and management

- Contributing to the creation of a sustainable society and strengthening our corporate governance geared to the needs of society

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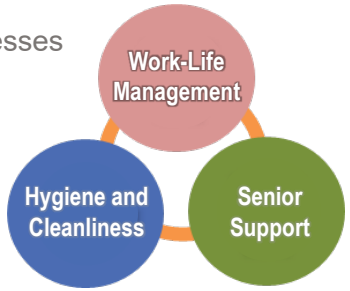
Medium-Term Management Policy 2022 Initiatives: Direct Selling Group

Theme 1 Reforming our business portfolios

● Reforming and expanding existing businesses



The Direct Selling Group is focusing on three domains: hygiene and cleanliness, work-life management and senior support. The group will pursue five strategies to deepen and expand its businesses in each of these domains.

Product/Service Development Strategies

Duskin Rescue Service

The number of inquiries at the sales locations in Tokyo, Nagoya and Osaka reached more than 10,000, and sales doubled (compared to the same period last year).

暮らしの安心駆けつけ DUSKIN RESCUE



Supporting the cleanliness of pet-owning households

We began nationwide rental of a new cleaning mop set for pets on March 18, 2024, and signed more than 50,000 contracts.



An increasing number of municipalities are signing up for our disaster risk reduction support services.

This service provides items needed in emergency shelters, such as electric generators, air conditioning and heating equipment, nursing beds, mops and mats and air purifiers.

As of Mar. 31, 2024: Contracted with 75 municipalities
As of Sept. 30, 2024: The number increased to 85

タスキン レントオール DUSKIN RENT-ALL



Business tie-up with Qracian Co., Ltd.

Started mutual customer referrals at sales locations in Osaka.

DUSKIN 喜びのタネをまごう × くらし安心ークラシアン QRACIAN

Note: The above figures are as of September 30, 2024.

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Medium-Term Management Policy 2022 Initiatives: Direct Selling Group

Theme 1 Reforming our business portfolios

● Reforming and expanding existing businesses

We will create new customer touchpoints through information and distribution reforms. We will also work to improve customer retention.

Organizational Strategies

- Number of franchisees with dedicated household sales teams for Clean Service: 227
- Percentage increase in the number of new contracts won by franchisees with dedicated Clean Service household sales teams: +8.5% YoY
- Number of personnel holding licenses related to Care Service increased by 156



Dedicated sales staff

Location Strategies

- Care Service (5 businesses)
  46 franchisees newly joined (between April and September)
- Senior Care
  3 franchisees newly joined (between April and September)

CX Strategies

- Reinforcement of web advertising
  The number of applications for trial use of rental products increased 52% YoY.
- Increase in the number of DDuet members
  Increased to approx. 1.78 million members (+5.2% between April and September)



Distribution Strategies

- RFID tags are now in operation
  Reduced work hours and improved accuracy of counting operations.



Note: The above figures are as of September 30, 2024.

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Medium-Term Management Policy 2022 Initiatives: Food Group

Theme 1 Reforming our business portfolios

● Reforming and expanding existing businesses

With the goal of creating shops where anyone and everyone can enjoy happy moments at any time, we seek to deliver tastiness and enjoyment to customers.

New Business Model Development

Develop new business models that cater to different locations, customer base and needs than the existing brands.

- Develop the Italian restaurant Napoli no Shokutaku into a franchise business at the earliest opportunity





Strengthening of the Current Value Chain

Realize in-house processing and distribution of key raw materials in existing businesses.

- Test sales of products manufactured in-house are currently underway





Merchandising

Create new products and sales opportunities leveraging the brand.

- Create new products and sales opportunities by leveraging existing brands





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Medium-Term Management Policy 2022 Initiatives: Food Group

Theme 1 Reforming our business portfolios

● Reforming and expanding existing businesses

We will expand sales opportunities through information and distribution reforms.

Product/Service Development Strategies

MISDO Meets

MISDO Meets Gion Tsujiri



Created in collaboration with the Kyoto green tea specialty brand Gion Tsujiri

This product was available in limited quantities and for a limited time from March 27 to late April 2024 (now discontinued).

Regular/Seasonal Products

White Pon De Ring Strawberry Milk



A strawberry-milk flavor variant of White Pon De Ring

This product was available in limited quantities and for a limited time from August 7 to early September 2024 (now discontinued).

MISDO GOHAN

Crunchy Soft Dog



Light meal menu also available for take-out

This product has been on sale since June 5, 2024; sales times and quantities vary by store.



MISDO HALLOWEEN × BLACK THUNDER

This product was sold from September 11 to October 31.

Shop Opening Strategies



・Number of operating shops in Sept. 2024: 1,030
(New shops opened between Apr. and Sept.: 21)
・Number of shops renovated in FY2024: 48
Total number of shops remodeled: 897

CX Strategies



atré Shinanomachi shop, a takeout-only store

First Mister Donut shop to introduce unattended payment system, whereby customers simply stand in front of the cash register and their items are displayed by the cash register.

Note: The above figures are as of September 30, 2024.

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Medium-Term Management Policy 2022 Initiatives

Theme 1 Reforming our business portfolios

● Investment in new growth opportunities

Overseas Strategy

- Mister Donut Singapore opened 5 shops in the first half of the year (7 shops in total at the end of June)
  Note: It opened its 8th shop on November 5.
- Mister Donut Hong Kong opened its first shop.



First Mister Donut shop in Singapore



Seventh Mister Donut shop in Singapore





First Mister Donut take-out-only shop in Hong Kong (opened on October 26, 2024)

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Medium-Term Management Policy 2022 Initiatives

Theme 1 Reforming our business portfolios

- Investment in new growth opportunities

We will create social value by doing our part to solve the social issues that need to be addressed in the future. (Invest actively through M&A, venture investments, R&D investments and industry-academia collaborations.)

- Invested in and signed a business alliance agreement with JP-Holdings, Inc., a leading childcare support company that operates more than 300 childcare facilities (daycare, after-school clubs and children's clubs) mainly in the Tokyo and Kanto area.
- Duskin's products and services are now being introduced on the childcare membership website operated by JP-Holdings. The two companies are currently discussing the creation of new businesses and services in the area of childcare support.



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Medium-Term Management Policy 2022 Initiatives

Theme 2 Establishing a solid foundation

- Strengthening human and technology resources; reinforcing management systems for our organization and businesses

Human Capital Management

- Implemented a talent management system.
- Implemented a personality test and growth measurement test to help employees increase their self-understanding.

kaonavi

Talent management system
“Kaonavi”

Digital Transformation (DX)

- Established a data analysis system and reviewed the decision-making process to enable early PoC (PoV) implementation.
- After introducing educational tools for autonomous learning, the number of users increased by 1.2 times and the learning time increased by 1.6 times from the end of the previous year.
- Continued company-wide, mandatory DX training to deepen understanding of digital technology.
- Accelerated the transition to a paperless office in order to increase productivity by digitizing our operations.





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Medium-Term Management Policy 2022 Initiatives

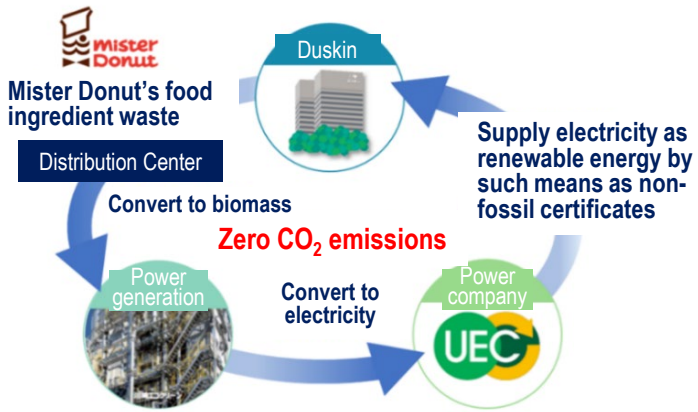
Theme 3 Coexistence with local communities

● Contributing to the creation of a sustainable society and strengthening our corporate governance geared to the needs of society

For Environmental Conservation

- Promoted the reduction of food loss and waste and the use of renewable energy.
- Decided to introduce EVs for Duskin's sales vehicles.
- Promoted the initiatives set forth in the Duskin Green Target 2030.

  Expanded "bottle-to-bottle" horizontal recycling efforts in collaboration with Coca-Cola (Japan), Coca-Cola Bottlers Japan and LEGOLAND Japan.





- Formulated the Duskin Green Vision 2050

  Under the banner, "Build a harmonious future where people, society and Planet Earth are connected," we will:

  - ・Promote the green economy
  - ・Use green energy
  - ・Pursue the use of green materials
  - ・Develop green communities

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Appendix

Duskin Co., Ltd. (Parent Company Only) Financial Summary

Millions of yen

	1H FY2023 [1]		1H FY2024 [2]		YoY change [2] – [1]	
		Profit margin		Profit margin		Percentage change
Net sales	69,960	–	73,951	–	+3,991	+5.7%
Operating profit	1,799	2.6%	2,769	3.7%	+970	+53.9%
Ordinary profit	5,097	7.3%	6,095	8.2%	+997	+19.6%
Net profit	3,983	5.7%	4,555	6.2%	+571	+14.4%

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Customer-Level Sales

Millions of yen

	1H FY2023	1H FY2024	YoY change	Percentage change
Direct Selling Group	**133,869**	**134,148**	**+279**	**+0.2%**
Total Clean Service	85,003	83,495	-1,508	-1.8%
Clean Service (residential customer)	39,727	38,662	-1,065	-2.7%
Clean Service (commercial customer)	45,276	44,832	-443	-1.0%
Total Care Service	29,791	31,519	+1,728	+5.8%
ServiceMaster	16,803	17,900	+1,096	+6.5%
Merry Maids	5,770	6,171	+401	+7.0%
Terminix	4,994	5,088	+93	+1.9%
Total Green	2,095	2,243	+147	+7.0%
Home Repair	126	116	-10	-8.2%
Rent-All	7,296	7,002	-293	-4.0%
Health Rent	6,965	7,277	+312	+4.5%
Uniform Service	1,482	1,567	+84	+5.7%
Azare Products	1,335	1,176	-158	-11.9%
Life Care	1,110	1,071	-38	-3.5%
Health & Beauty	883	882	-0	-0.1%
Rescue Service	–	155	+155	+100.0%
Food Group	**56,535**	**66,706**	**+10,171**	**+18.0%**
Mister Donut	55,628	64,436	+8,808	+15.8%
Katsu & Katsu	890	931	+40	+4.5%
Boston House (Kenko Saien)	–	1,338	+1,338	+100.0%
Other food businesses	15	–	-15	-100.0%
Other Businesses	**18,723**	**20,922**	**+2,198**	**+11.7%**
Clean Service and Care Service (Overseas)	3,989	4,625	+636	+16.0%
Mister Donut (Overseas)	9,380	10,756	+1,375	+14.7%
Big Apple	965	997	+32	+3.3%
Duskin Healthcare	4,387	4,542	+154	+3.5%
Total	**209,127**	**221,777**	**+12,649**	**+6.0%**

Notes:
- The above sales figures represent total sales for our domestic and overseas company-owned sales locations and subsidiaries, as well as projected sales for our franchisees. These figures are for reference purposes.
- Figures for the customer-level sales of our overseas businesses are noted in total figures for January-December in order to accommodate the fiscal year-end for our overseas subsidiaries included in our consolidated financial statements.
- Sales of MOSDO are included in those of Mister Donut.

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Number of Sales Locations

Number of locations

	As of Sept. 30, 2023	As of Sept. 30, 2024	Change
Direct Selling Group	**5,732**	**5,743**	**+11**
Clean Service	1,825	1,810	-15
ServiceMaster	1,189	1,198	+9
Merry Maids	795	800	+5
Terminix	550	550	+0
Total Green	167	181	+14
Home Repair	106	104	-2
Rent-All	102	98	-4
Health Rent	184	187	+3
Uniform Service	215	214	-1
Azare Products	43	43	+0
Life Care	97	96	-1
Health & Beauty	459	456	-3
Rescue Service	–	6	+6
Food Group	**1,025**	**1,069**	**+44**
Mister Donut	1,008	1,030	+22
Katsu & Katsu	16	16	+0
Boston House	–	23	+23
Napoli no Shokutaku	–	13	+13
Dining CAFE BuonoBuono	–	1	+1
BOSTON's Café	–	3	+3
Pasta Aldentino	–	1	+1
Toribenkei	–	5	+5
Other food businesses	1	0	-1
Other Businesses	**10,634**	**10,373**	**-261**
Clean Service and Care Service (Overseas)	25	25	+0
Mister Donut (Overseas)	10,519	10,259	-260
Big Apple	90	89	-1
Total	**17,391**	**17,185**	**-206**

Notes:
- Because some business locations operate multiple businesses, the number of locations above may differ from the actual number of sales locations.
- The number of sales locations is the total of company-owned sales locations, those operated by subsidiaries and franchisees.
- The number of sales locations represents those in operation.
- The number of overseas sales locations is as of December 31. (Sales locations for events and limited-time periods, which were included until FY2023, are excluded.)

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Business Segments and Their Businesses

Direct Selling Group

Direct Selling

For residential customer market

- **Clean Service** (Rental service through periodic visits)
  - Dust Control [Mops and mats]
  - Air Control [Air purifiers]
  - Water Control [Water purifiers]
  - Drink Service [Mineral water delivery]
- **Care Service** (Professional cleaning and technical services)
  - ServiceMaster [Professional cleaning]
  - Merry Maids [Home cleaning and helper services]
  - Terminix [Pest control and prevention]
  - Total Green [Plant and flower upkeep]
  - Home Repair [Wall and floor repair]
- **Cosmetic-related business**
  - Health & Beauty [Cosmetics and health food]
  - Azare Products [Cosmetics manufacturing and sales]
  - Kyowa Cosmetics Co., Ltd. [Cosmetics sales]
- **Rescue Service**
  - Rapid maintenance
- **Life Care**
  - Support services for seniors

For commercial customer market

- **Clean Service** (Rental service through periodic visits)
  - Dust Control [Mops and mats]
  - Clean Service [Restroom products]
  - Air Control [Air purifiers]
  - Water Control [Water purifiers]
  - Wipeful Service [Wiper cloths]
  - Drink Service [Office coffee service]
- **Care Service** (Professional cleaning and technical services)
  - ServiceMaster [Office cleaning]
  - Terminix [Pest control and prevention]
  - Total Green [Plant and flower upkeep]
  - Home Repair [Wall and floor repair]
- **Unform-related business**
  - Uniform Service [Leasing, sales, etc.]
  - Chugai Sangyo Co., Ltd. [Uniform design and sales]
- **Rescue Service**
  - Rapid maintenance

In-Store Sales

- **Rent-All** [Event planning/operation and rental of daily items]
- **Health Rent** [Rental and sales of assisted-living products]

Food Group

- **Mister Donut**
  [Homemade donut shops]
- **MOSDO**
  [Collaborated shops with MOS Burger]
- **Katsu & Katsu**
  [Pork cutlet restaurants]
- **Italian restaurants**
  [Napoli no Shokutaku, BOSTON's Café, etc.]
- **Charcoal-grilled chicken specialty restaurant**
  [Toribenkei]

Other Businesses

- **Duskin Healthcare**
  [Hospital hygiene management service]
- **Duskin Kyoeki**
  [Leasing business and insurance services]
- **Overseas businesses**
  Clean Service and Care Service
  Mister Donut
  Big Apple

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Dust Control Business Model

Through our franchisees, we provide mops, mats and other cleaning and hygiene products for rent, for use both in the home and in business spaces.

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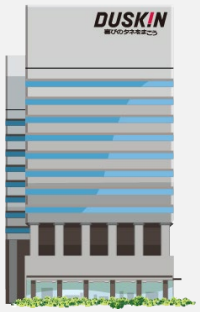


Products

Production & logistics



Production & logistics

45 nationwide

The number of facilities includes those that only perform cleaning or logistics.

Delivery (Rental)

Collecting used mops and mats

Franchisees



Sales locations

Approx. **1,820** nationwide

Sales representatives

Approx. **57,000**

Rental

Returning used mops and mats

Customers



Households

Approx. **4.06** million

Businesses

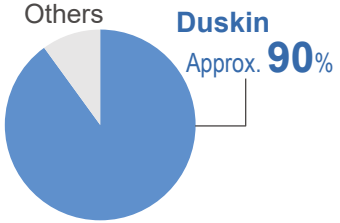
Approx. **1.00** million

Our competitive advantages

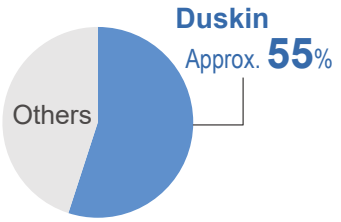
1. A solid customer basis
2. Franchise networks and product delivery systems rooted in the community
3. A reputation for trust and reliability built through our 55-plus-year history
4. Cross-selling opportunities available by way of a synergistic effect between the Direct Selling Group businesses
5. Extensive training curricula and comprehensive training facilities

Market share

Residential customer



Commercial customer



Source: Japan Dust Control Association data (assembled by Duskin)

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Care Service and Senior Care Business Models

Care Service

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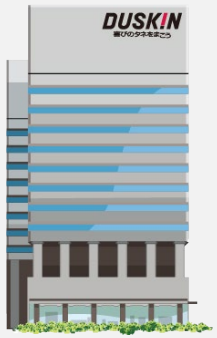

Trademark granting; provision of know-how; provision of chemicals, equipment and materials; assistance in recruiting human resources →

← Royalties

Franchisees
(Number of locations)



- ServiceMaster: **1,194** nationwide
- Merry Maids: **798** nationwide
- Terminix: **555** nationwide
- Total Green: **176** nationwide
- Home Repair: **105** nationwide

Service →

← Service fee

Customers



- Households
- Businesses

Senior Care

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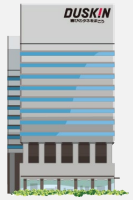

Trademark granting; provision of know-how; assistance in recruiting human resources →

← Royalties

↑ Purchase

Welfare equipment manufacturer

Franchisees



Health Rent: **187** nationwide

Equipment rental →

← Collecting used equipment

Cooperation ↕

Elderly people (User)

Care planning and consultation ↕

Nursing-care insurance system

Care managers

← Service

Service fee →

Franchisees



Life Care: **95** nationwide

Trademark granting; provision of know-how; assistance in recruiting human resources ←

Royalties →

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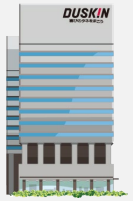

Note: Because some business locations operate multiple businesses, the number of locations above may differ from the actual number of offices.

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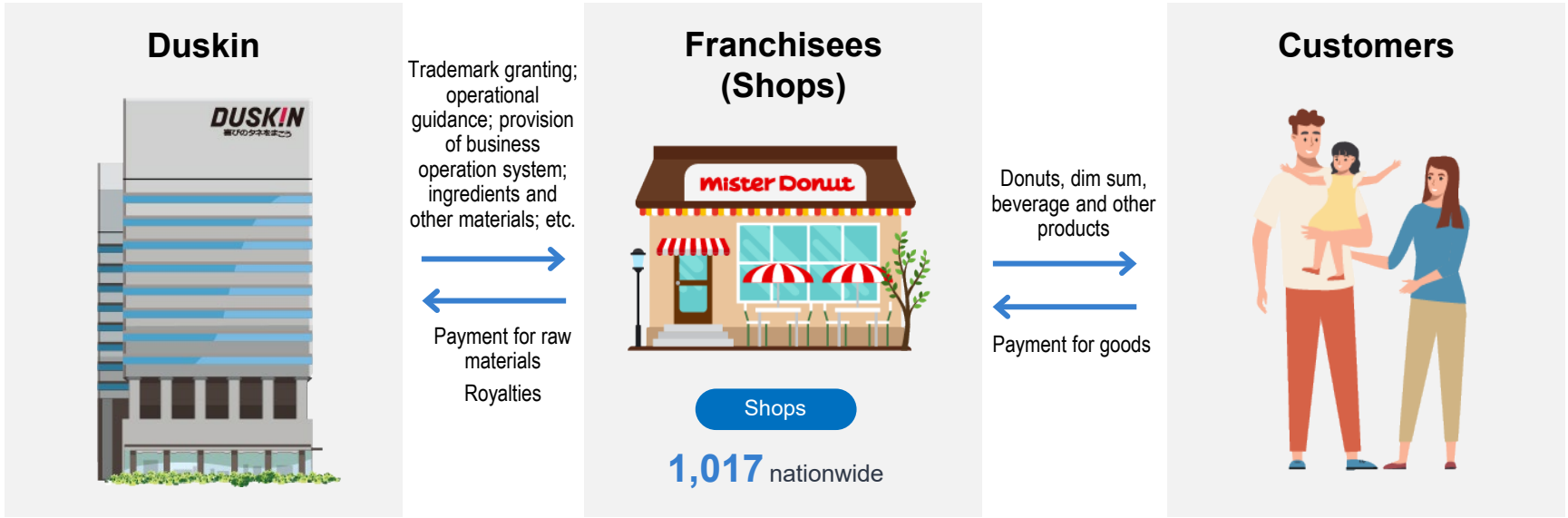
Mister Donut Business Models

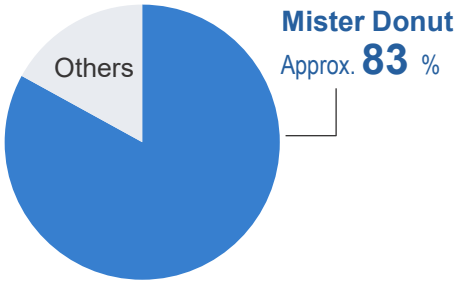
To realize our goal of creating shops where every customer happens upon “something good” at any time, we make the Mister Donut experience fun and our products always delicious.



Our competitive advantages

1. Over 1,000 locations providing places for us to interact with customers
2. A well-established donut brand backed by a 50-plus year history
3. Ability to effectively meet takeout demand
4. Joint product development with other brands, incorporating high standards for materials and sophisticated technologies
5. A unique training system delivering the same level of quality and service around the nation

Market share



Source: Calculated by Duskin

Note: Because some business locations operate multiple businesses, the number of locations above may differ from the actual number of shops.

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喜びのタネをまこう

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