



キッチンから、笑顔をつくろう

*"To create smiles from the kitchen"*

**Presentation Material:  
Announcement of FY 2012 Interim Results**

**November 20, 2012**



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*"To create smiles from the kitchen"*

# I . Interim Results Outline

# 1. Outline of Consolidated Results for Interim Period Ended September 2012

(Units: millions of yen)

	<b>2012/9</b> (Actual Results)	<b>2011/9</b> (Actual Results)	<i>Change From Prev. Period</i>	<b>2012/9</b> (Previous Forecast)	<b>2012/9</b> (Revised Forecast)	<i>Compared To Revised Plan</i>
<b>Net Sales</b>	<b>55,159</b>	<b>46,478</b>	<b>18.7%</b>	<b>53,000</b>	<b>55,000</b>	<b>0.3%</b>
<b>Operating Income</b>	<b>2,338</b>	<b>520</b>	<b>349.2%</b>	<b>620</b>	<b>1,250</b>	<b>87.1%</b>
<b>Ordinary Income</b>	<b>2,146</b>	<b>433</b>	<b>395.4%</b>	<b>480</b>	<b>1,110</b>	<b>93.4%</b>
<b>Interim Net Income</b>	<b>1,290</b>	<b>△149</b>	<b>— %</b>	<b>50</b>	<b>500</b>	<b>158.1%</b>
<b>Interim Net Income Per Share</b>	<b>27.70yen</b>	<b>△3.21yen</b>	<b>— %</b>	<b>1.07yen</b>	<b>10.73yen</b>	<b>158.1%</b>

\* Previous Forecast: Announced May 8, 2012

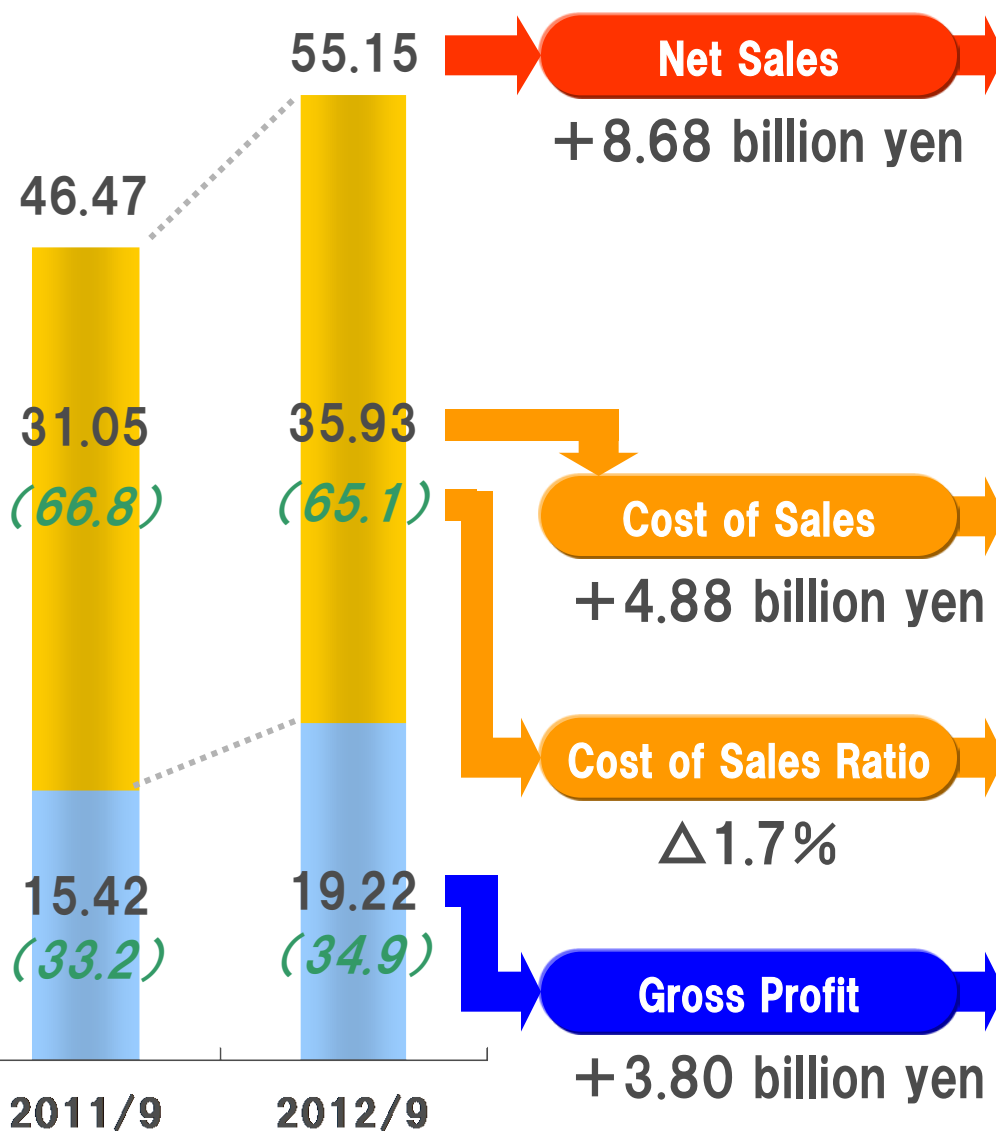
\* Revised Forecast: Announced August 6, 2012

## 2. Consolidated Profits ① Net Sales, Gross Profit

(Units: billions of yen)

【Increased/Decreased Values (Rates)】

【Main Increase/Decrease Factors】



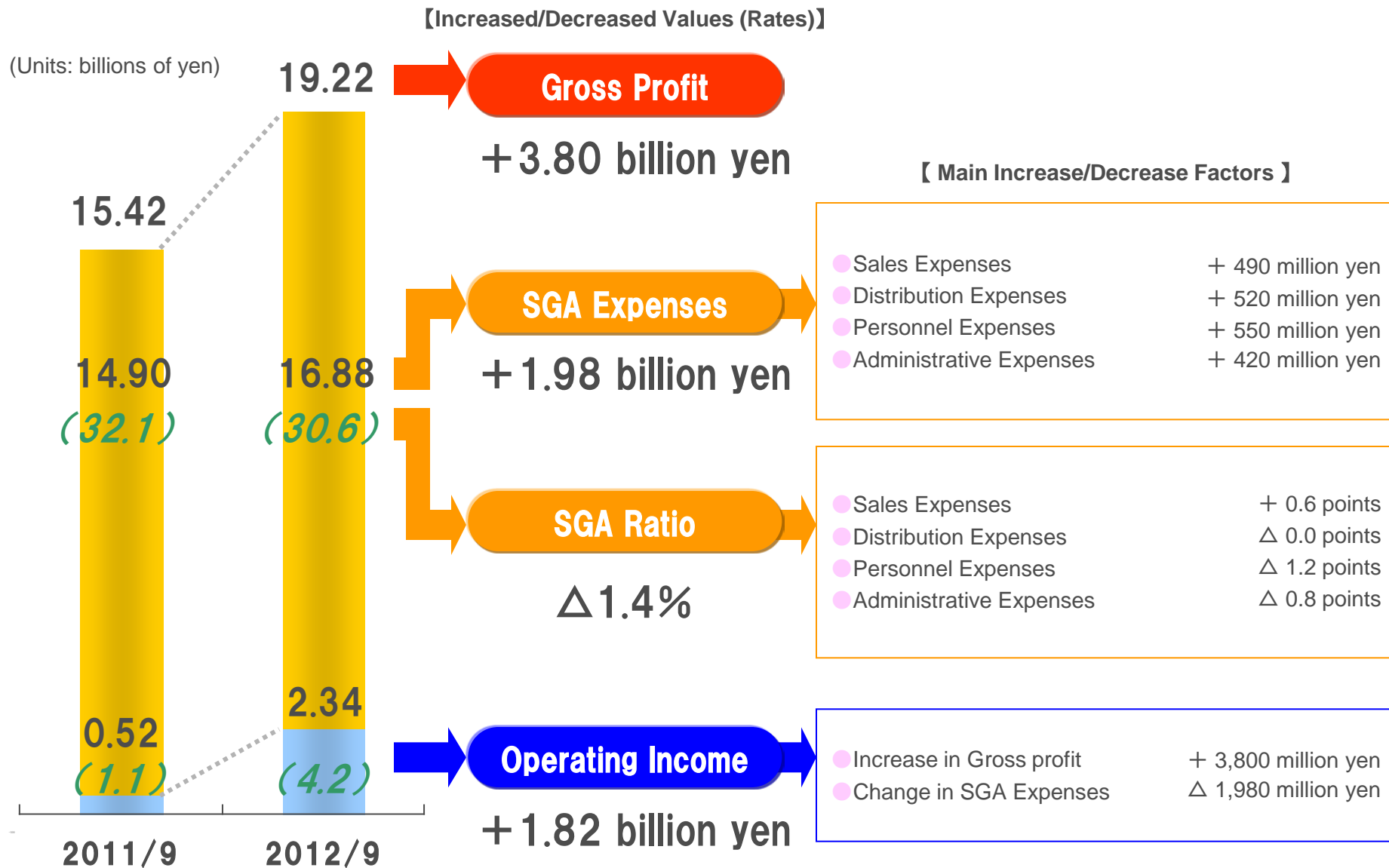
● System Kitchens	+6,230 million yen
・S. S.	Δ950 million yen
・CLEANLADY	+4,870 million yen
・RAKUERA	+1,120 million yen
・Others	+1,190 million yen
● Sectional System Kitchen	+930 million yen
● System Bathrooms	+1,240 million yen
● Washstands/Vanities	340 million yen

● Increase Due to Increased Net Sales	+5,800 million yen
● Decrease Due to Decreased Cost of Sales Ratio	Δ920 million yen

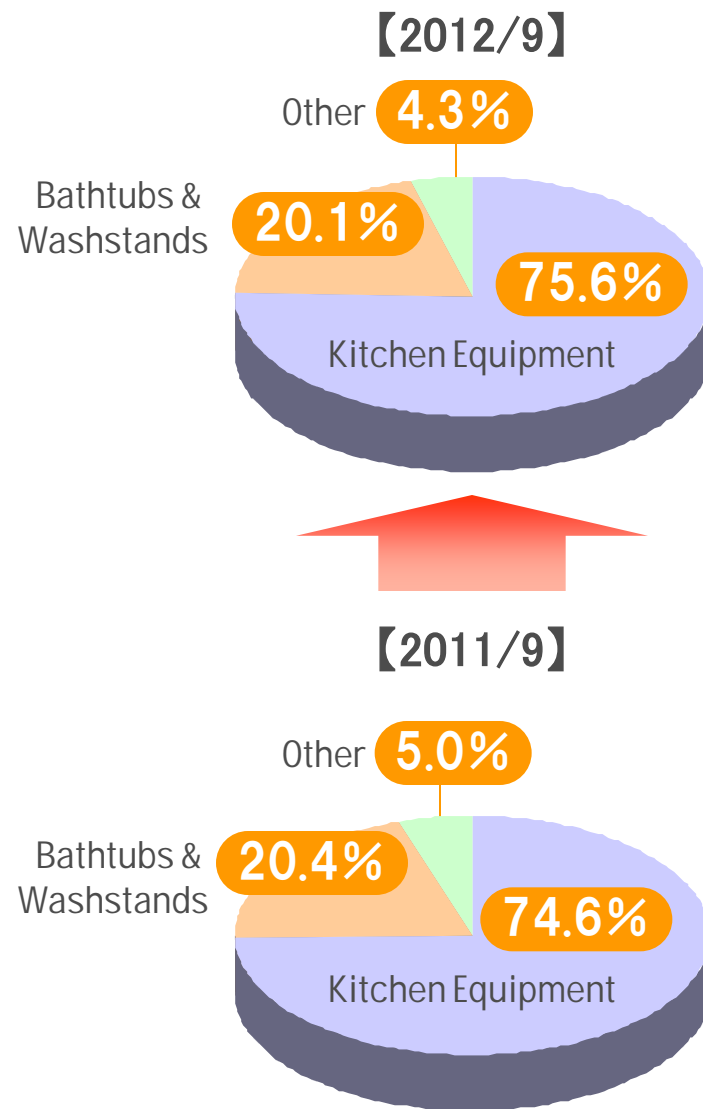
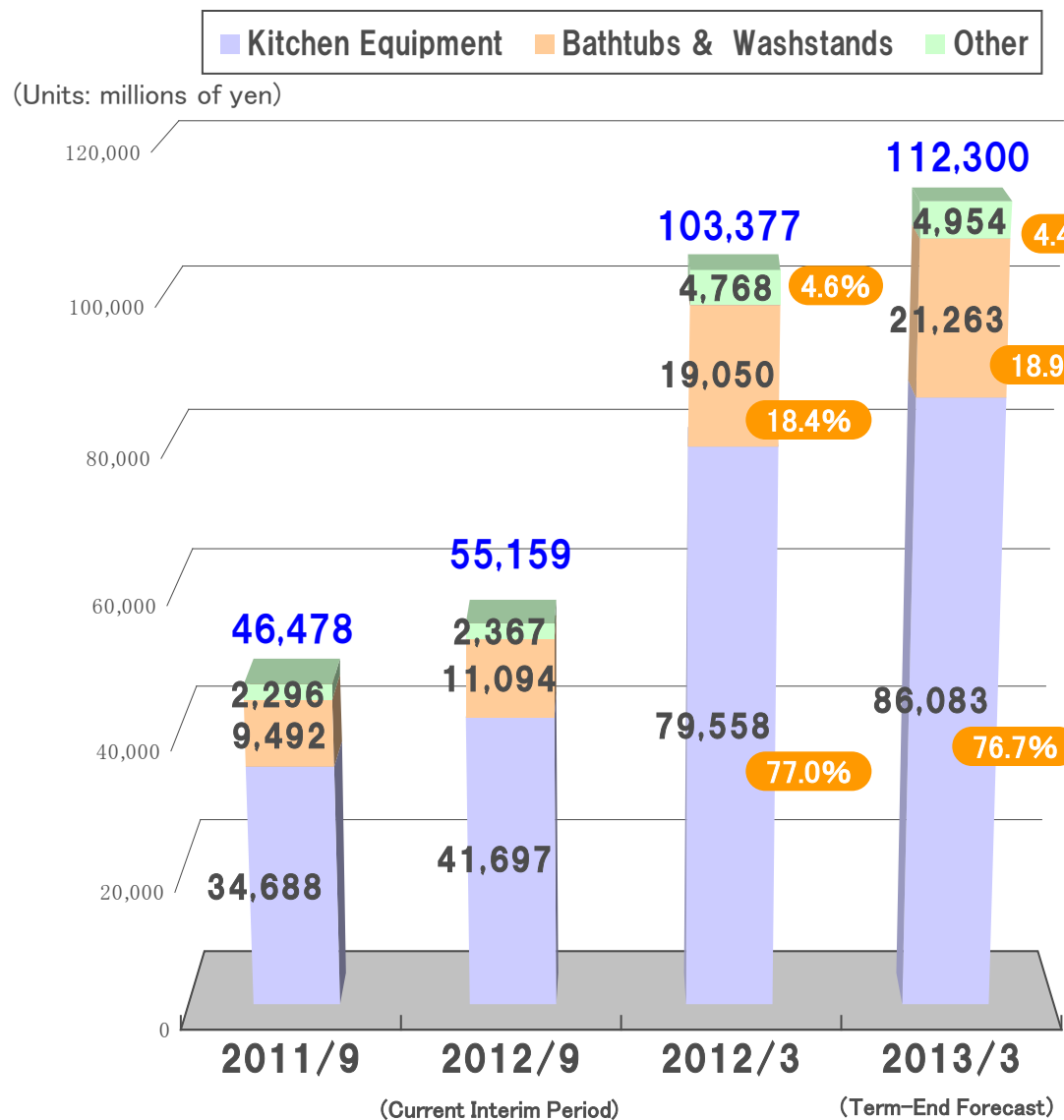
● Decrease in S.S., CLEANLADY Cost Ratio	Δ 0.2 point
● Decrease in System Bathrooms Cost of Sales Ratio	Δ 0.4 point
● Composition Ratio by Sales Route	Δ 0.1 point
● Cost Decrease	Δ 1.0 point

● Increase Due to Increased in Net Sales	+2,880 million yen
● Increase in Gross Profit Ratio	+920 million yen

## 2. Consolidated Profits ② SGA Expenses, Operating Income



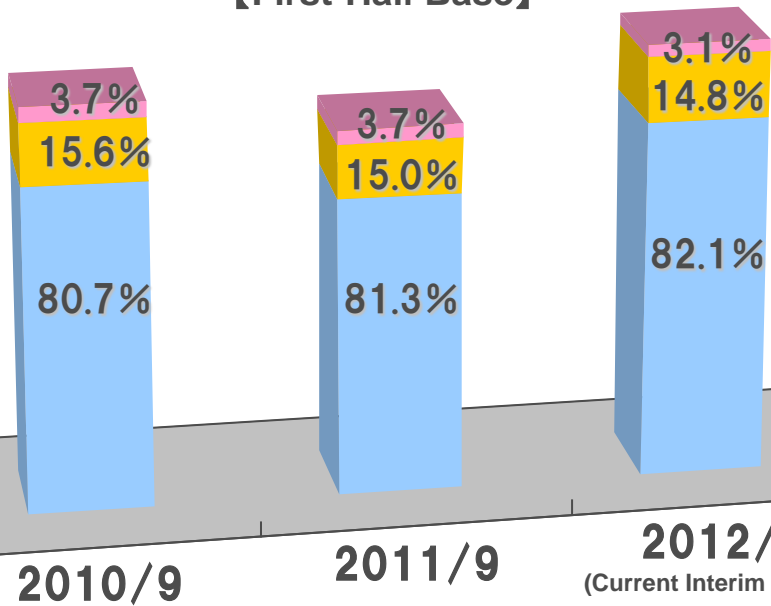
# 3. Sales Composition ① By Segment (Consolidated)



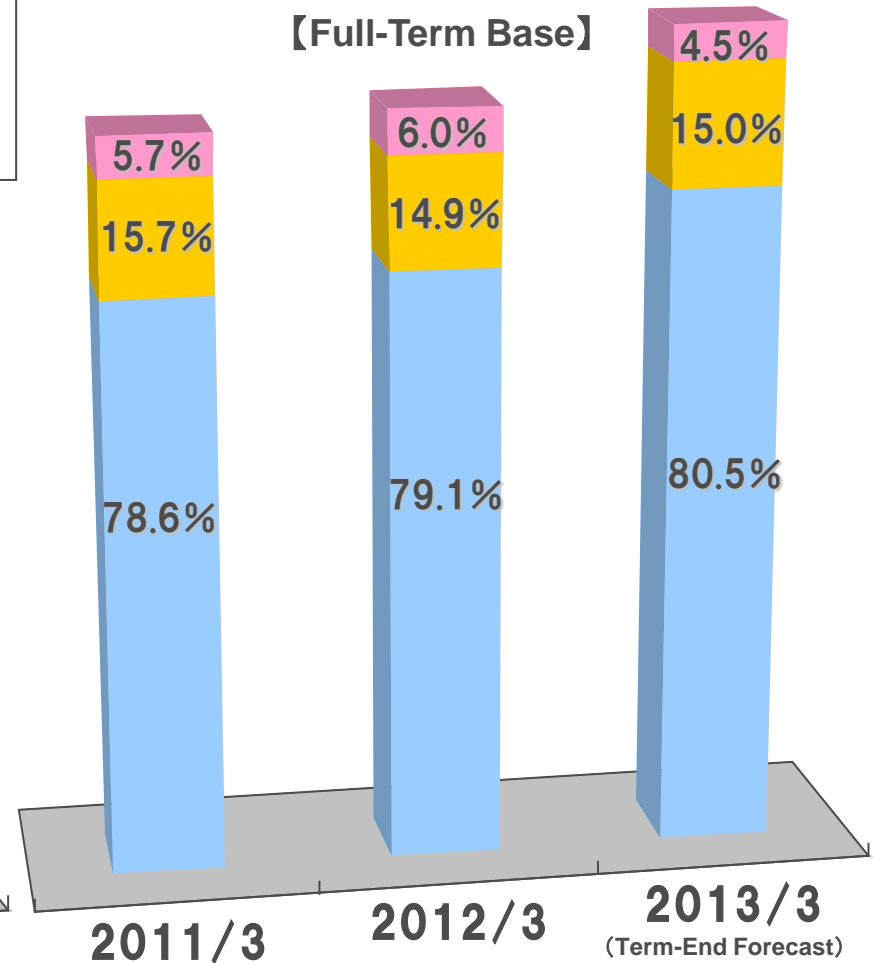
### 3. Sales Composition ② By Sales Route (Non-Consolidated)

- Direct-Sales (Condominium owners)
- Housing Constructors
- General Routes (Construction Contractors - Home Renovation)

【First-Half Base】

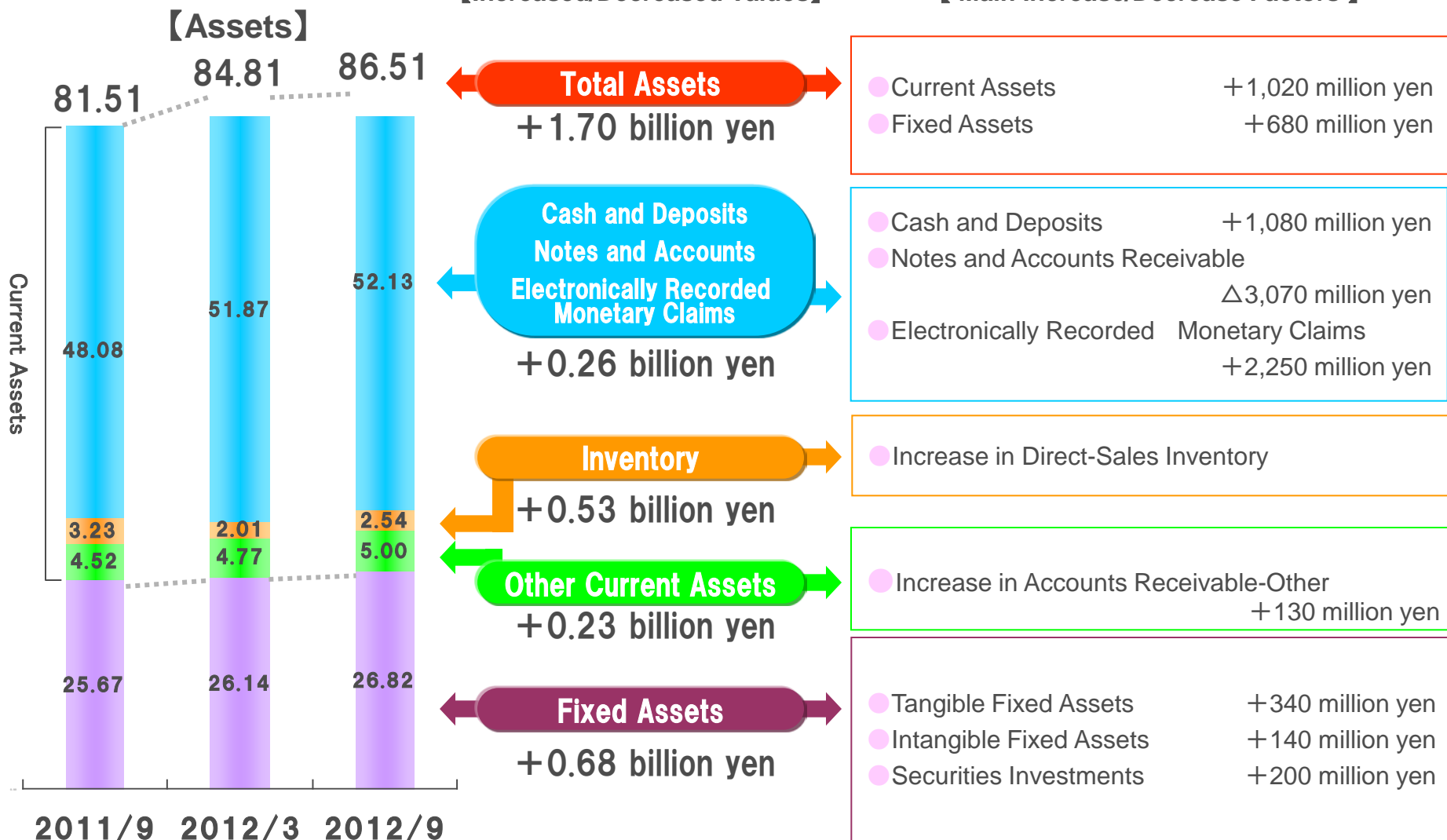


【Full-Term Base】



# 4. Consolidated Balance Sheet Summary – 1/2

(Units: billions of yen)





# 4. Consolidated Balance Sheet Summary – 2/2

(Units: billions of yen)

【 Increased/Decreased Values 】

【 Primary Reasons for Increase/Decrease 】

【 Liabilities · Minority Interests · Assets 】



**Current Liabilities**

**+ 1.19 billion yen**

**Long-Term Liabilities**

**Δ0.44 billion yen**

**Total Assets**

**+ 0.96 billion yen**

- Trade Accounts Payable + 160 million yen
- Other Accounts Payable + 620 million yen
- Short-term Borrowing Δ 340 million yen  
(Include Current Portion of Long-term Borrowing)
- Income Taxes Payable + 460 million yen

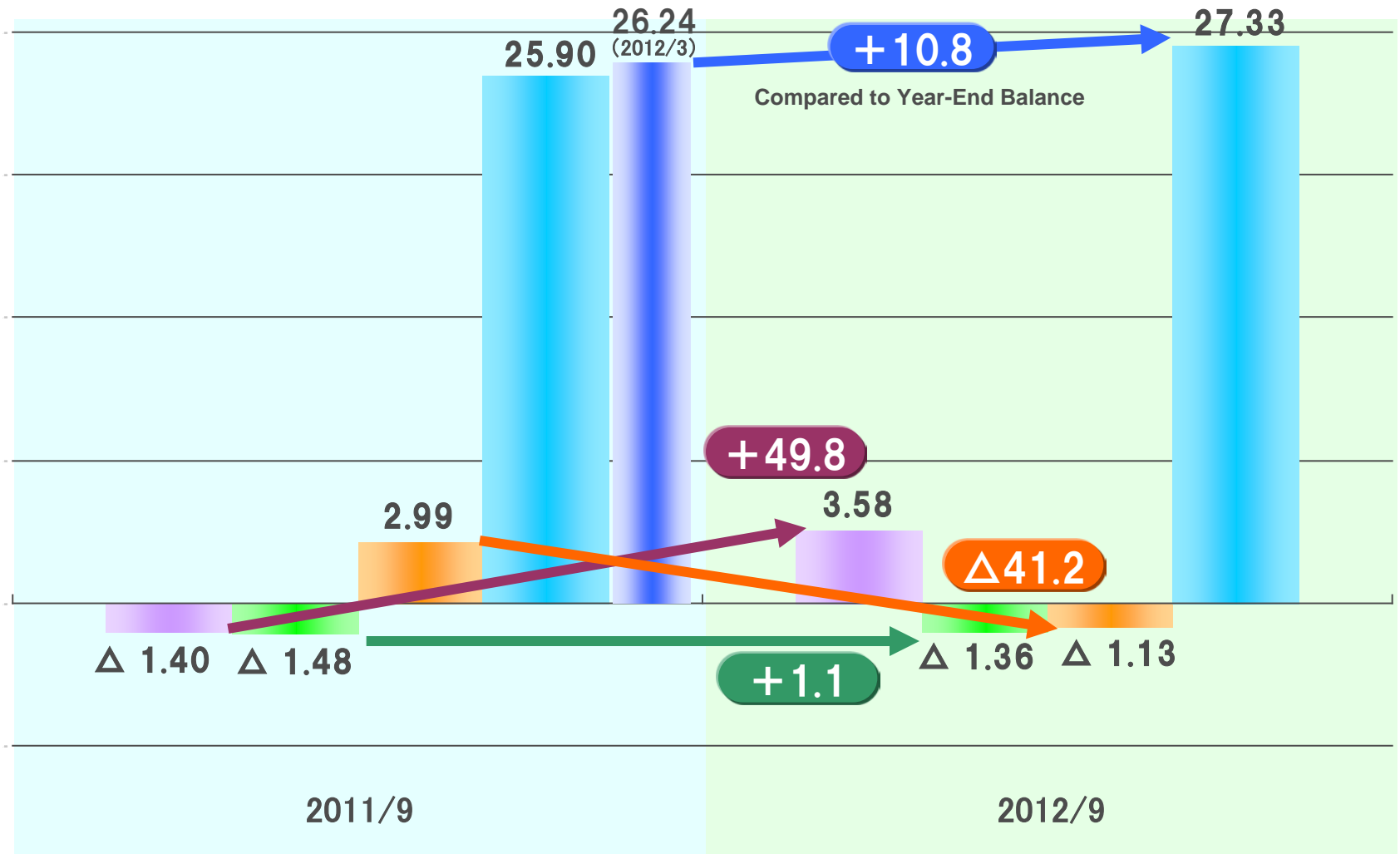
- Long-term Borrowing Δ 490 million yen

- Interim Net Income + 1,290 million yen
- Dividends Δ 230 million yen
- Valuation difference on available-for-sale securities Δ 90 million yen

# 5. Consolidated Cash Flow Statement Summary

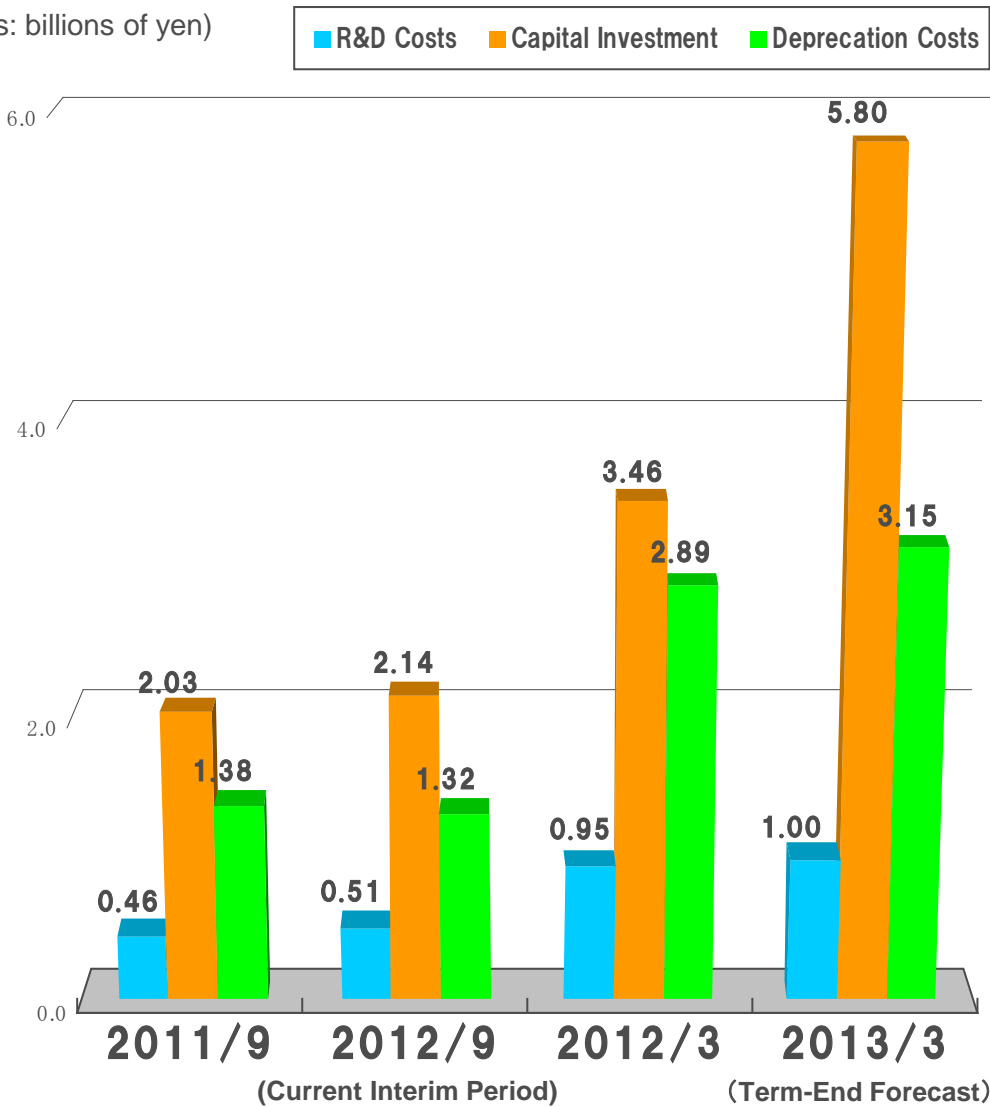
(Units: billions of yen)

- Cash Flow from Operating Activities
- Cash Flow from Investing Activities
- Cash Flow from Financing Activities
- Interim (Year-End) Cash & Cash Equivalents Balance



# 6. Capital Investments (Consolidated)

(Units: billions of yen)



## 【FY2013 Major Capital Investment Details】

### First-Half Results

- ① Dies and Equipment for New Products 390 million yen
- ② Showroom Renovation 1,220 million yen
- ③ Information Investment 510 million yen

### Second-Half Plans

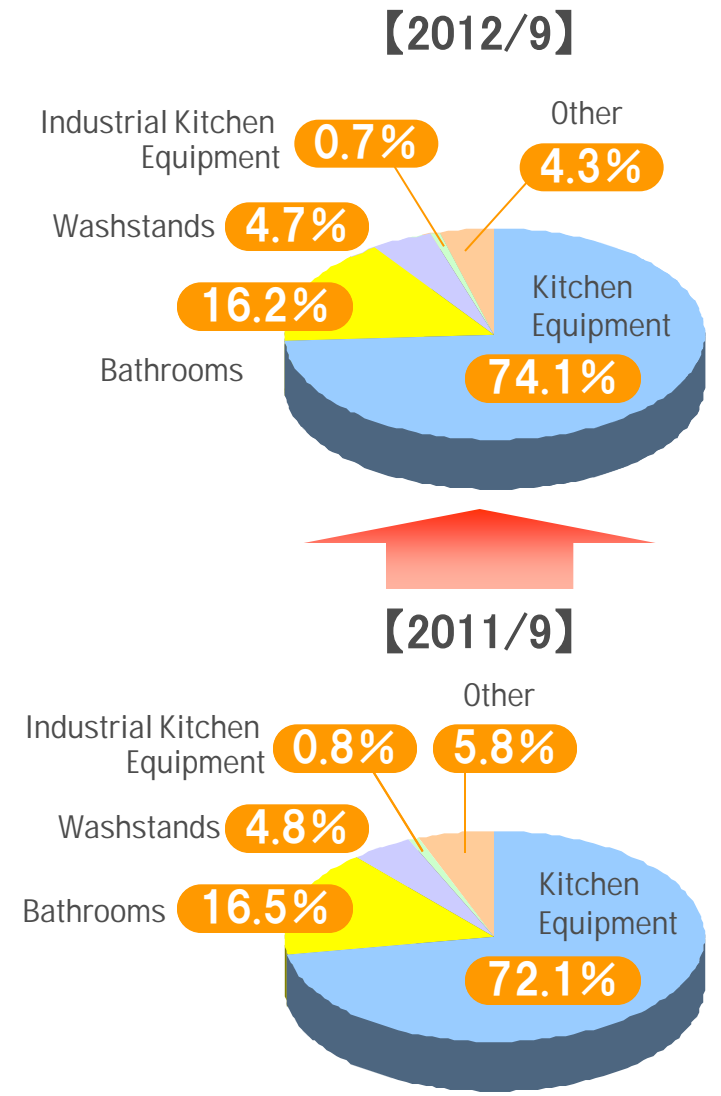
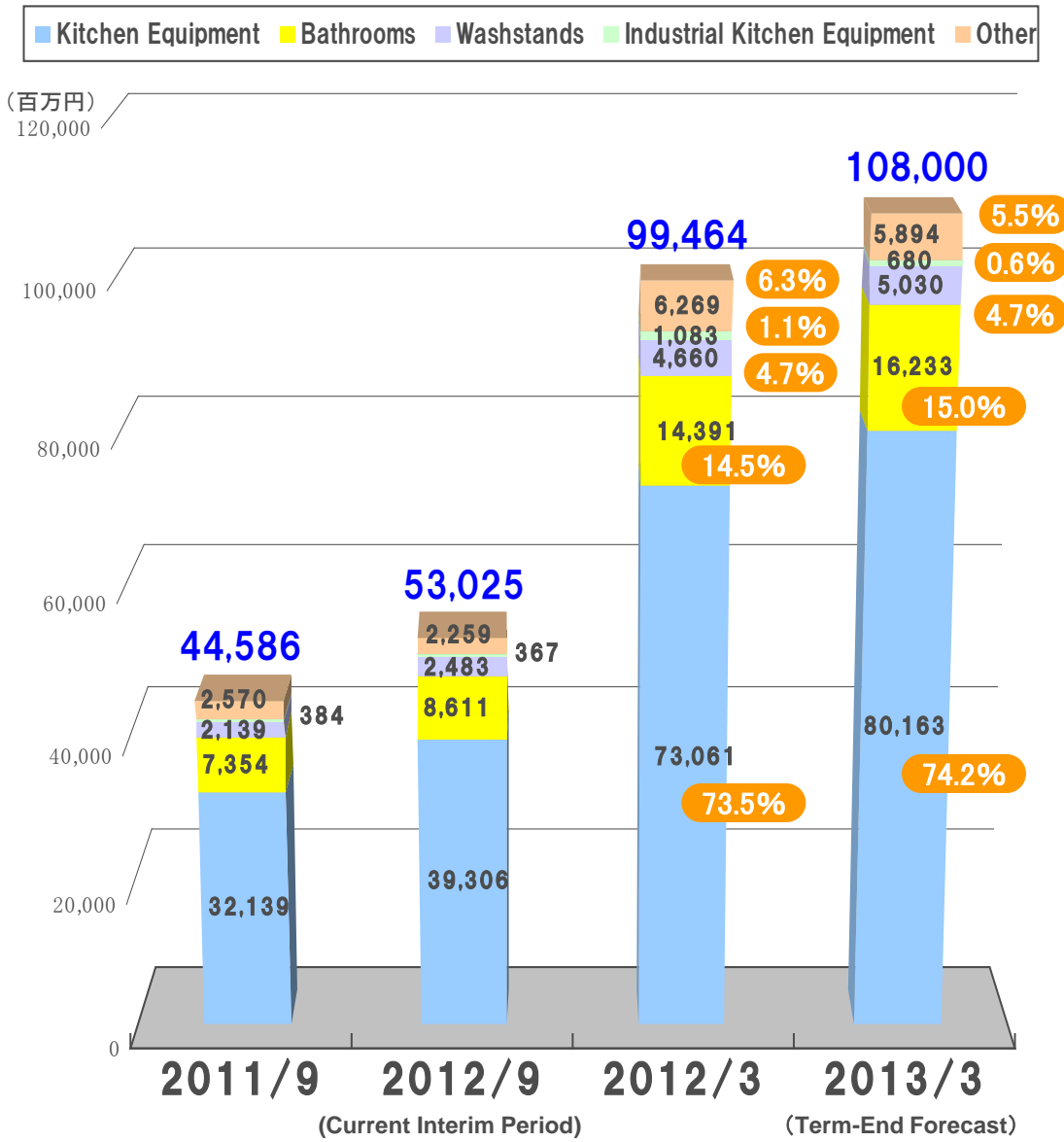
- ① Production-Related 2,590 million yen
- ② Operations-Related 710 million yen
- ③ Information-Related 310 million yen
- ④ Others 40 million yen

## 7. Outline of Non-Consolidated Results for Interim Period Ended September 2012

(Units: millions of yen)

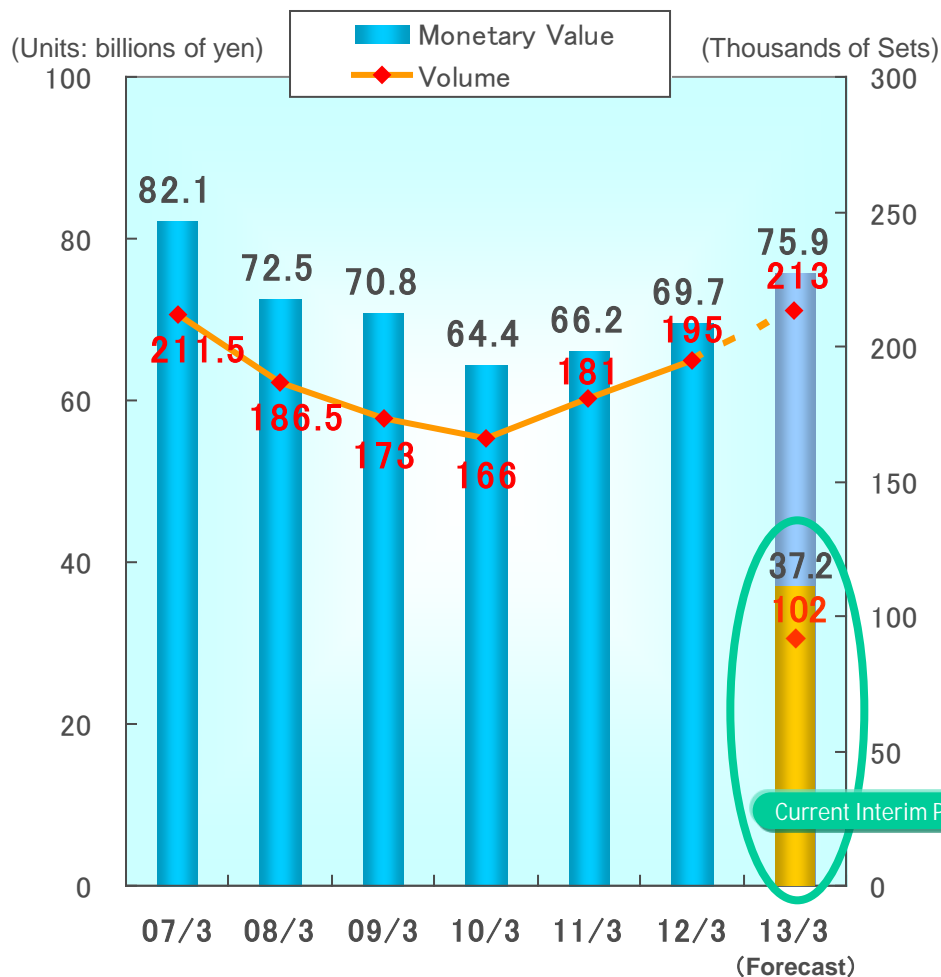
	<b>2012/9</b> (Actual Results)	<b>2011/9</b> (Actual Results)	<i>Change From Prev. Period</i>
<b>Net Sales</b>	<b>53,025</b>	<b>44,586</b>	<b>18.9%</b>
<b>Operating Income</b>	<b>1,868</b>	<b>178</b>	<b>945.5%</b>
<b>Ordinary Income</b>	<b>1,944</b>	<b>291</b>	<b>566.0%</b>
<b>Interim Net Income</b>	<b>1,247</b>	<b>△93</b>	<b>— %</b>
<b>Interim Net Income Per Share</b>	<b>26.78yen</b>	<b>△2.01yen</b>	<b>— %</b>

# 8. Non-Consolidated Sales Composition By Segment

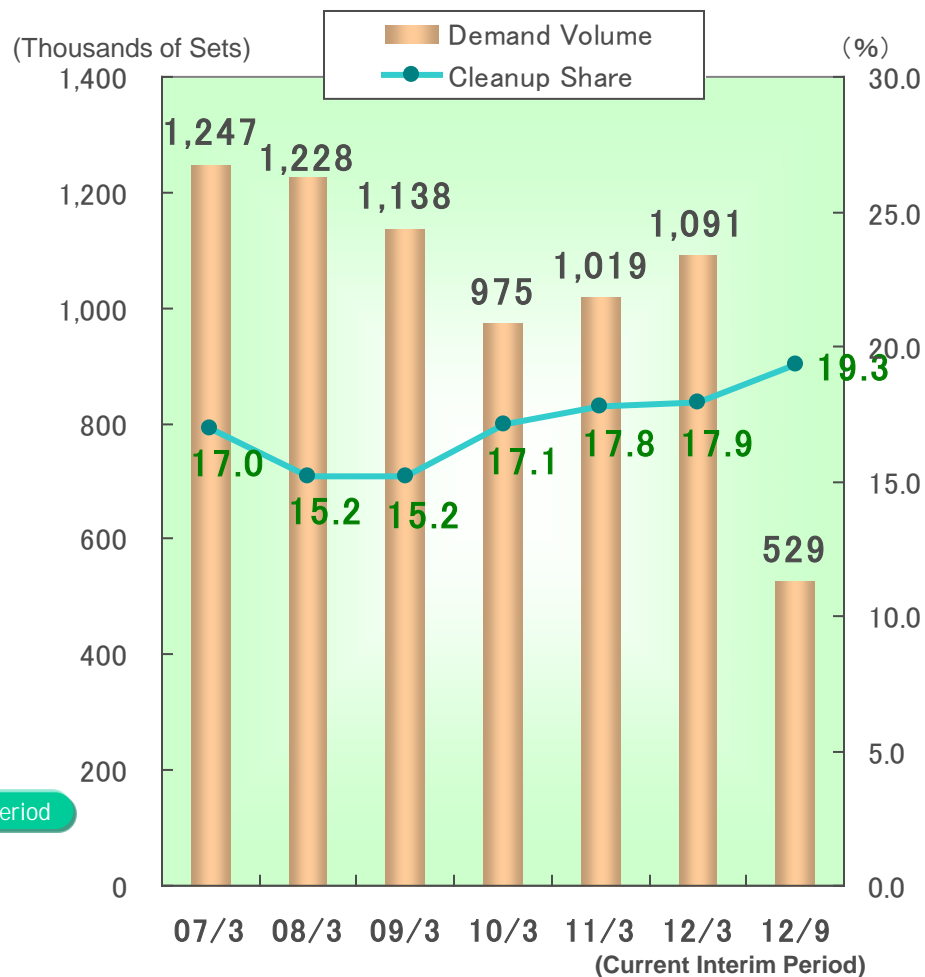


# 9. Sales Results For Major Products and Cleanup Market Share - 1/4

## Complete System Kitchen Sales Results

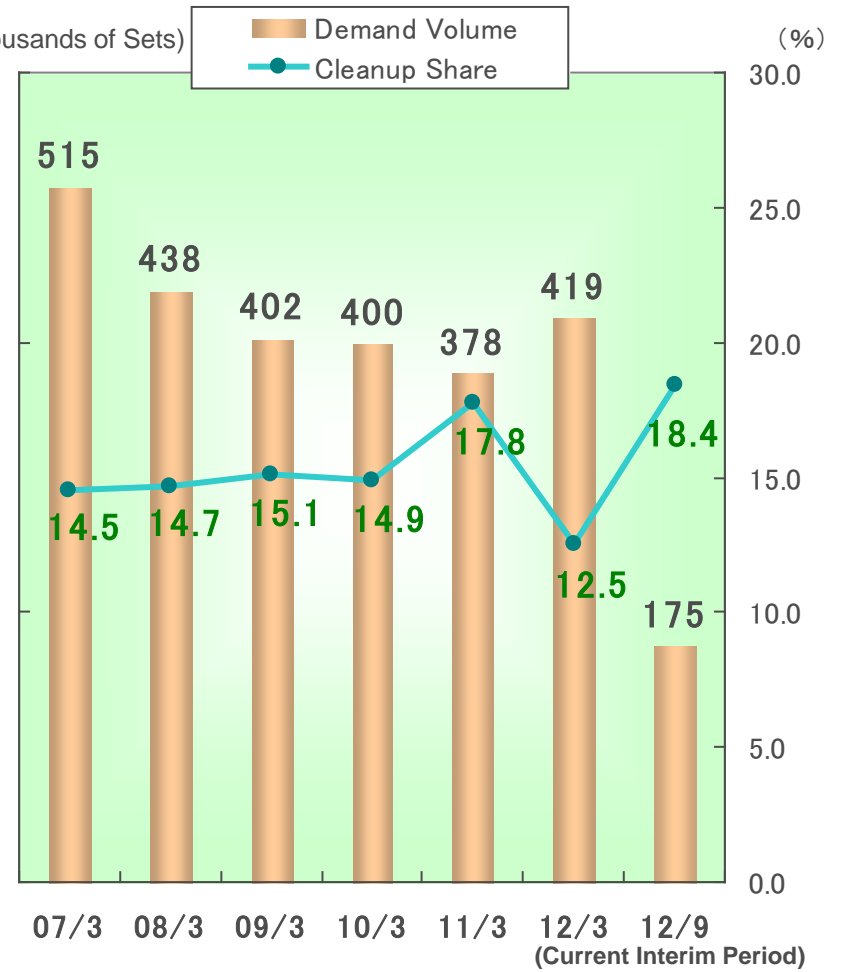
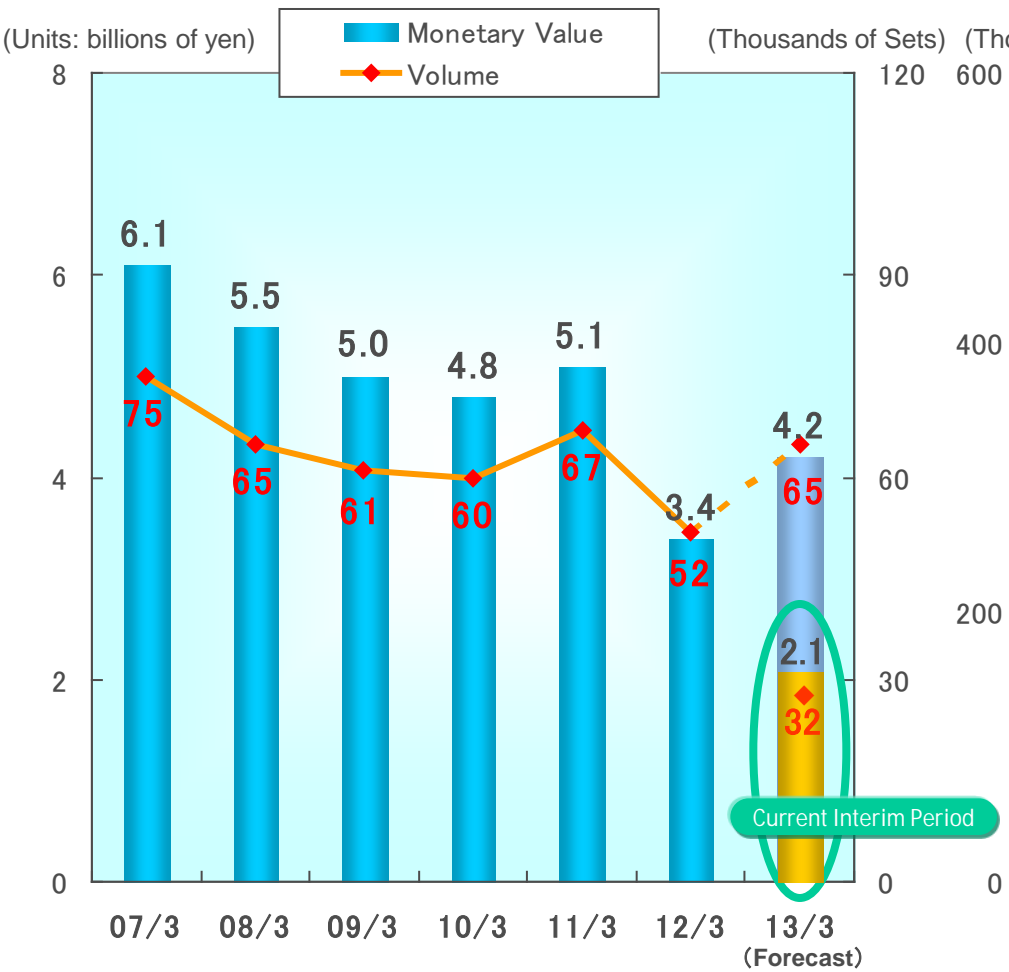


## Demand Trends and Market Share

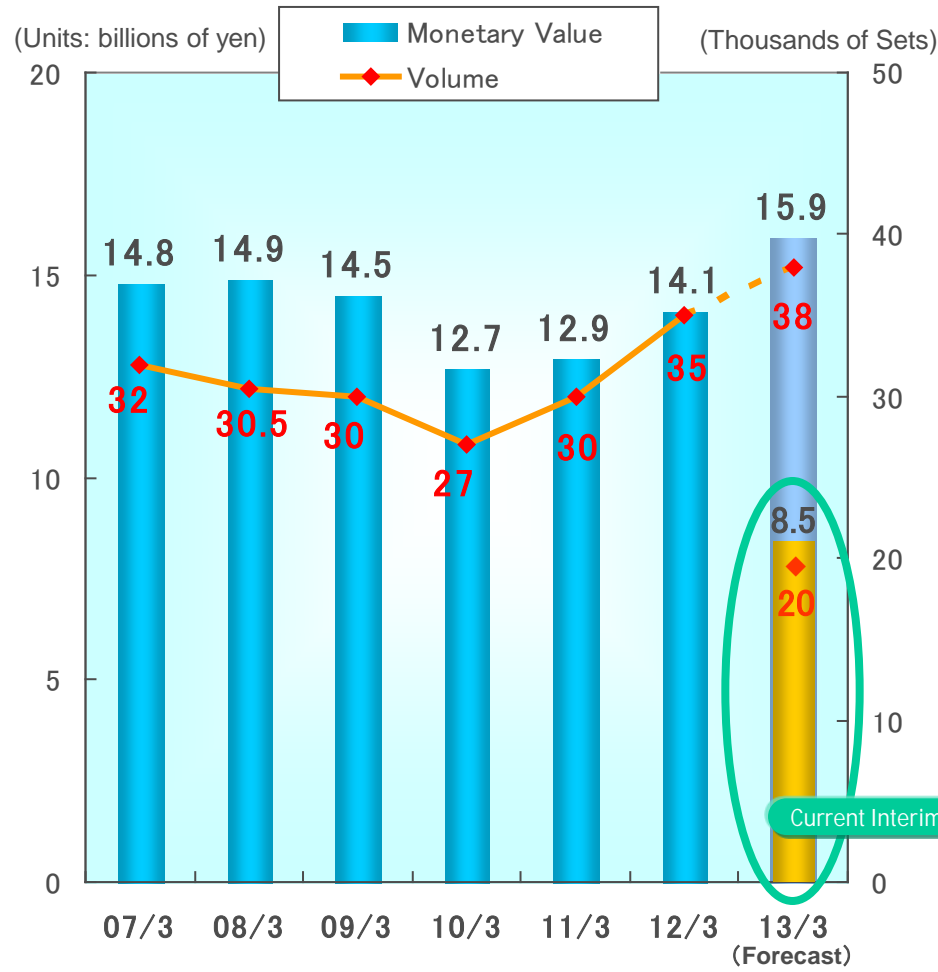


## Sectional System Kitchen Sales Results

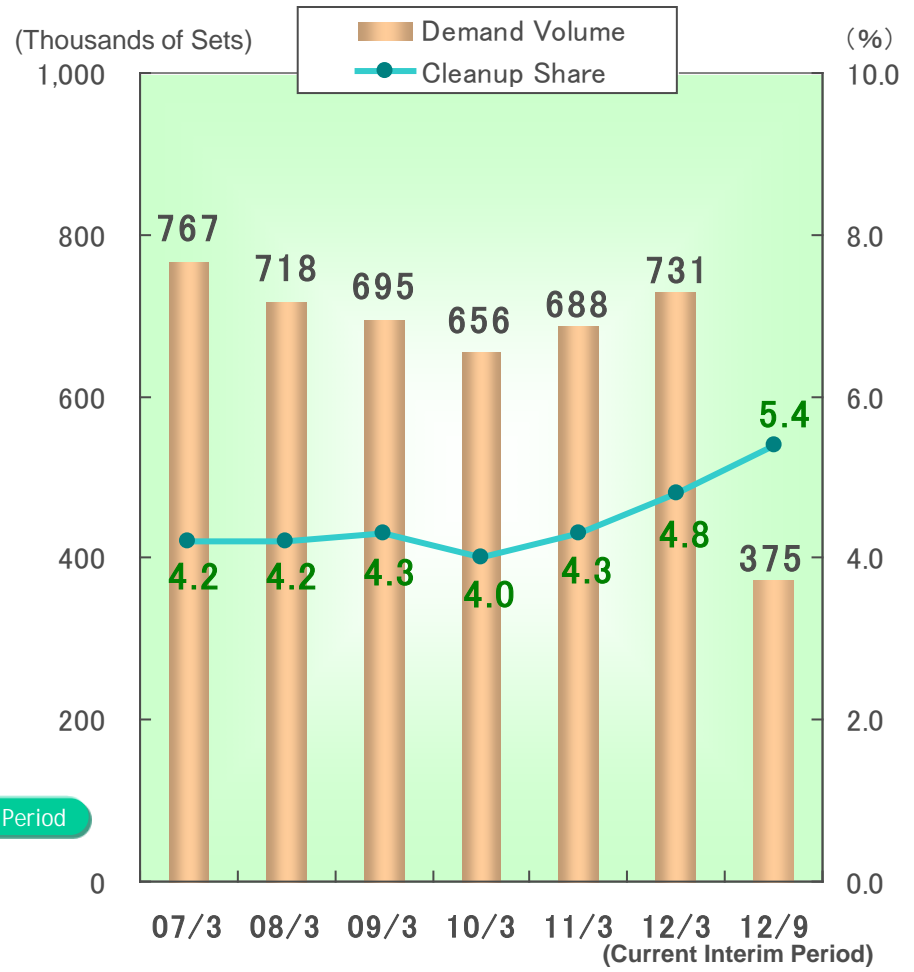
## Demand Trends and Market Share



## Modular System Bathroom Sales Results



## Demand Trends and Market Share

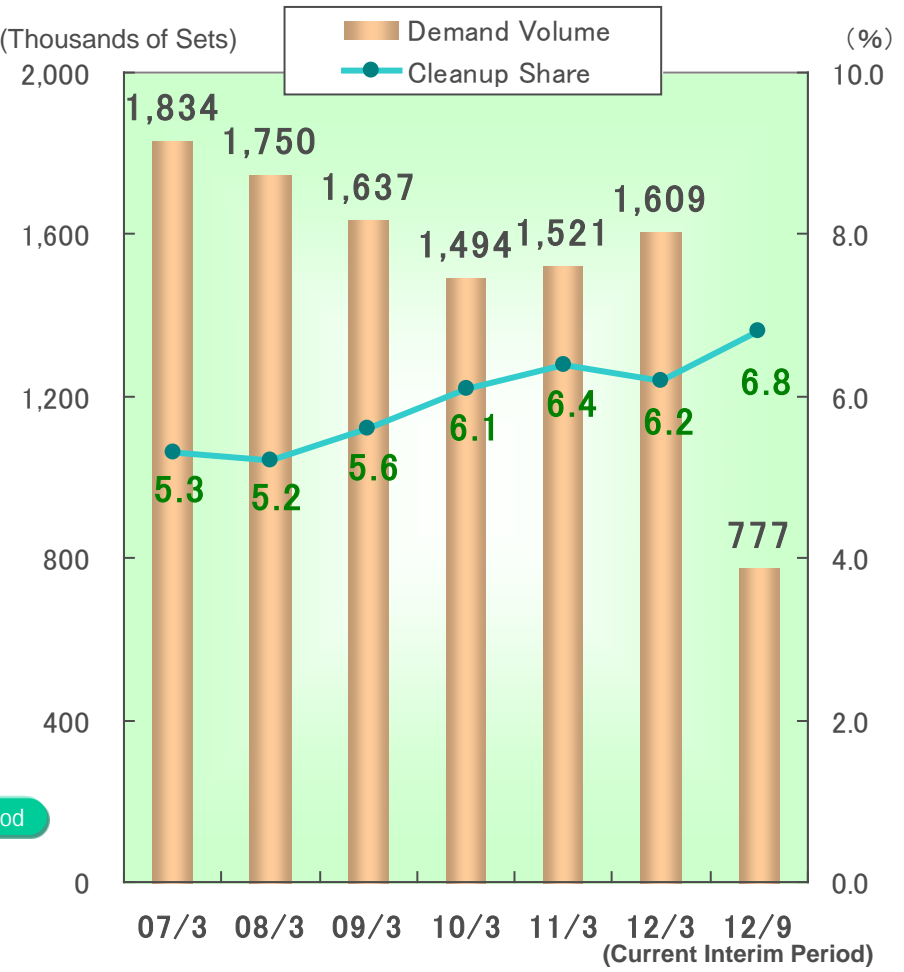
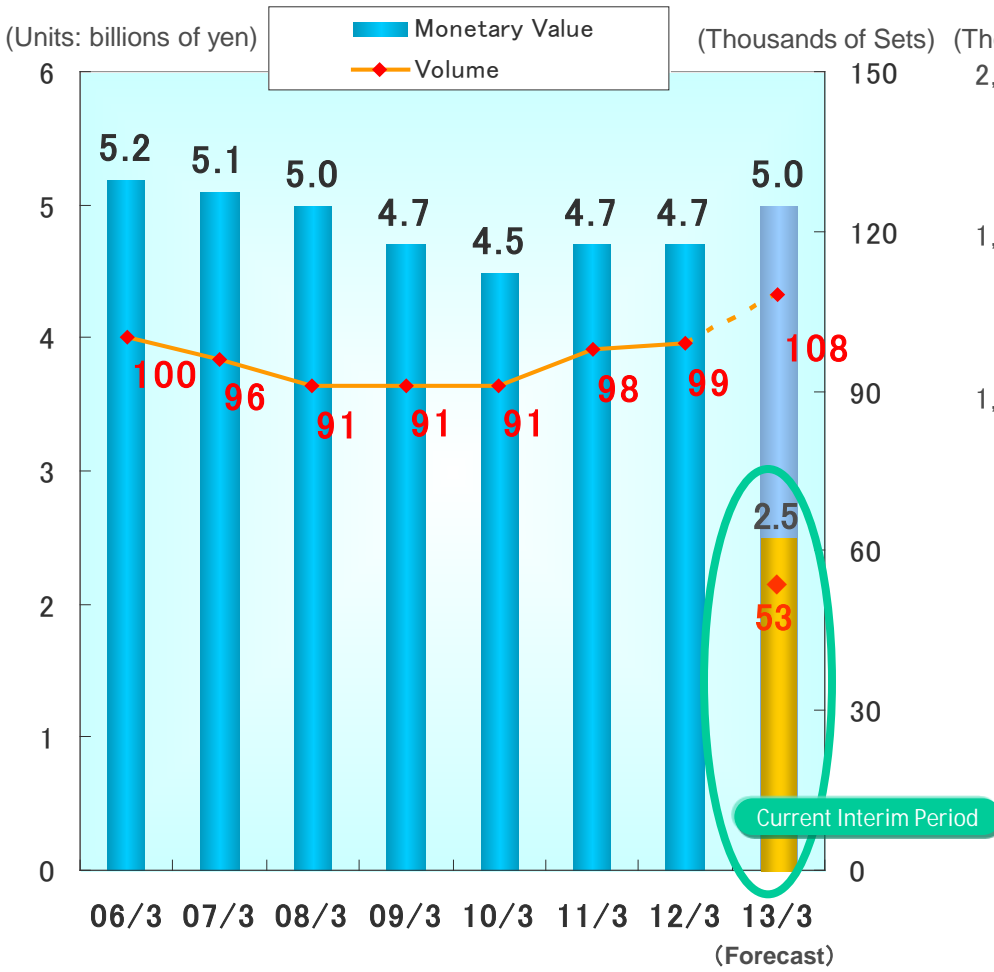




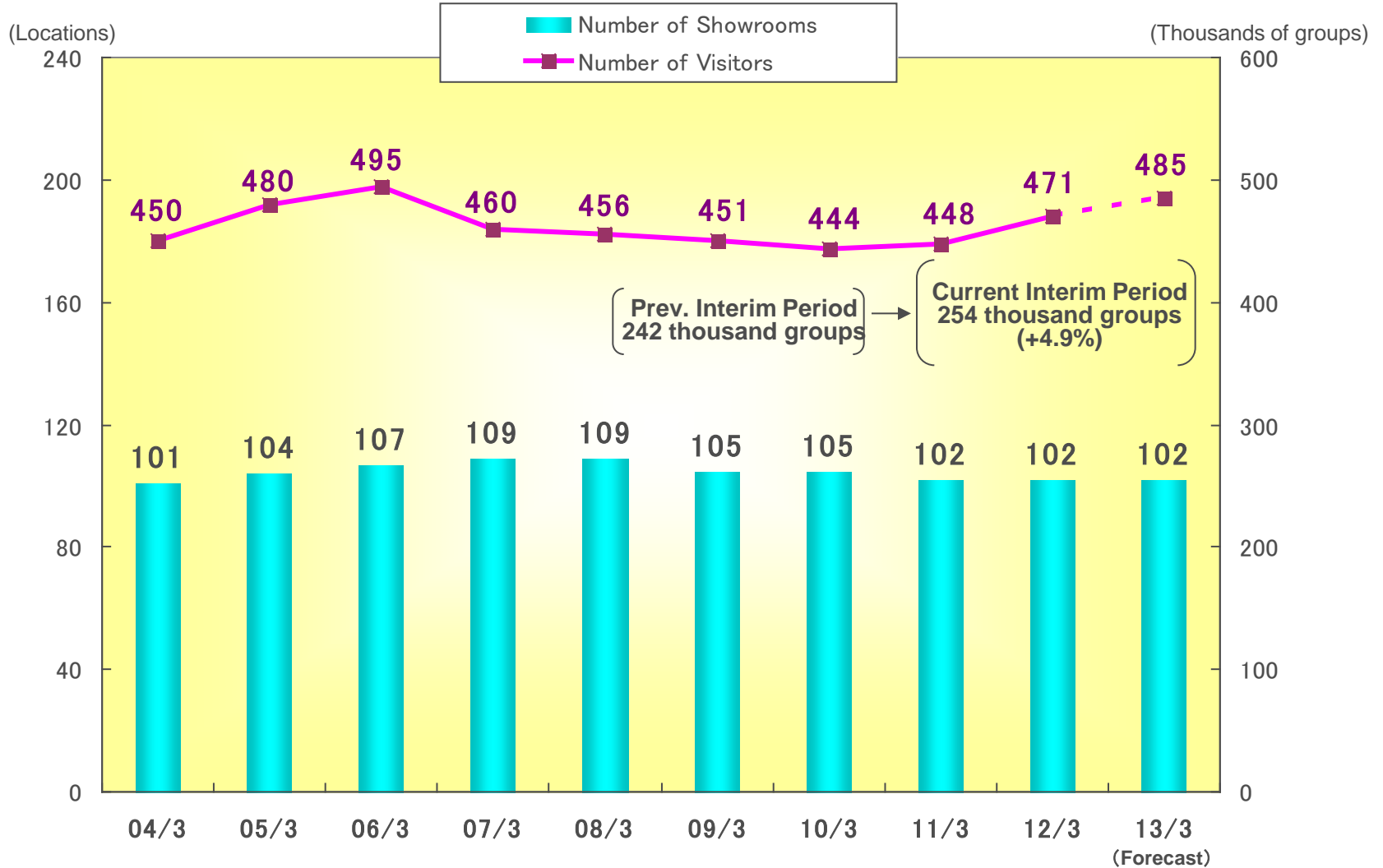
# 9. Sales Results For Major Products and Cleanup Market Share - 4/4

## Washstands/Vanities

## Demand Trends and Market Share



# 10. Showrooms And Visitor Numbers



# 11. Forecasted Consolidated Results For The Period Ending March 2013

(Units: millions of yen)

	<b>2012/3</b> (Actual Results)	<b>2013/3</b> (Previous Forecast)	<b>2013/3</b> (Full-Term Forecast)	<i>Change From Prev. Period</i>	<i>Compared to Plan</i>
<b>Net Sales</b>	<b>103,377</b>	<b>112,200</b>	<b>112,300</b>	<b>8.6%</b>	<b>0.1%</b>
<b>Operating Income</b>	<b>2,370</b>	<b>2,650</b>	<b>3,500</b>	<b>47.7%</b>	<b>32.1%</b>
<b>Operating Margin</b>	<b>2.3%</b>	<b>2.4%</b>	<b>3.1%</b>	—	—
<b>Ordinary Income</b>	<b>2,083</b>	<b>2,350</b>	<b>3,200</b>	<b>53.6%</b>	<b>36.2%</b>
<b>Ordinary Income Margin</b>	<b>2.0%</b>	<b>2.1%</b>	<b>2.8%</b>	—	—
<b>Net Income</b>	<b>2,155</b>	<b>1,050</b>	<b>1,800</b>	<b>△16.5%</b>	<b>71.4%</b>
<b>Net Income Margin</b>	<b>2.1%</b>	<b>0.9%</b>	<b>1.6%</b>	—	—

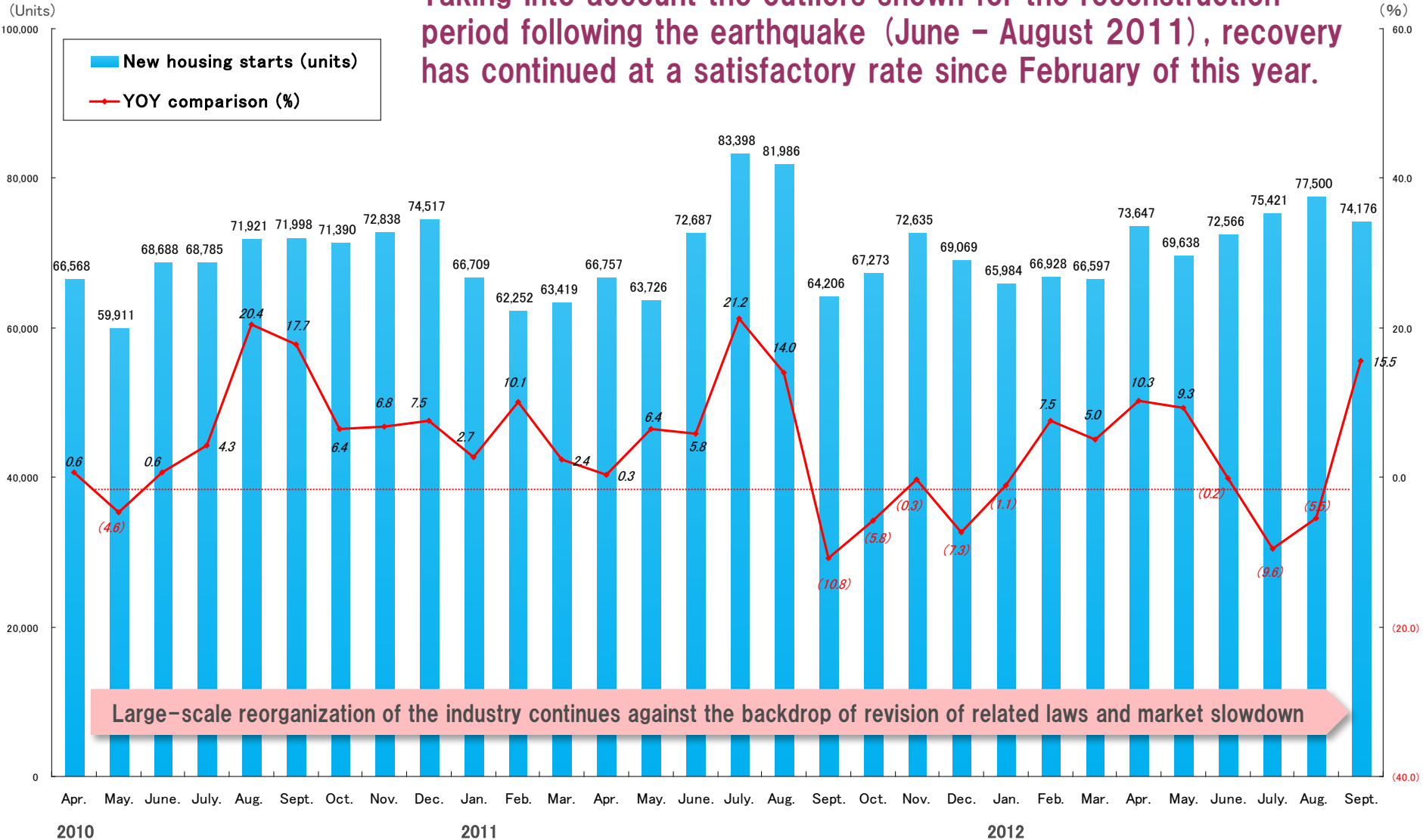


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## II . Future Strategy

## New housing starts

Taking into account the outliers shown for the reconstruction period following the earthquake (June – August 2011), recovery has continued at a satisfactory rate since February of this year.



\* Ministry of Land, Infrastructure, Transport and Tourism Monthly Economic Construction Statistics, Building Starts

### FY2012 Management Policies

To thoroughly promote the 12 mid-term business plans to become "The Kitchen Company"

① Increase market share in system kitchens focusing on the Clean Lady

② Promote reform policies

③ Improve overall showroom competitiveness

④ Improve total overall quality and lower overall costs

⑤ Expand overseas operations

⑥ Create a working environment that improves on-site capabilities

## ● Formation of a BCP (Business Continuity Plan)

Formation of an action plan to deal with unanticipated events, such as natural disasters and accidents.

- Continuity of business activities with limited operating resources
- Resumption of business within the recovery time objective

## ● Reorganization of production systems

Reorganization of our production systems, which are concentrated in Iwaki, based on our Experience With the earthquake

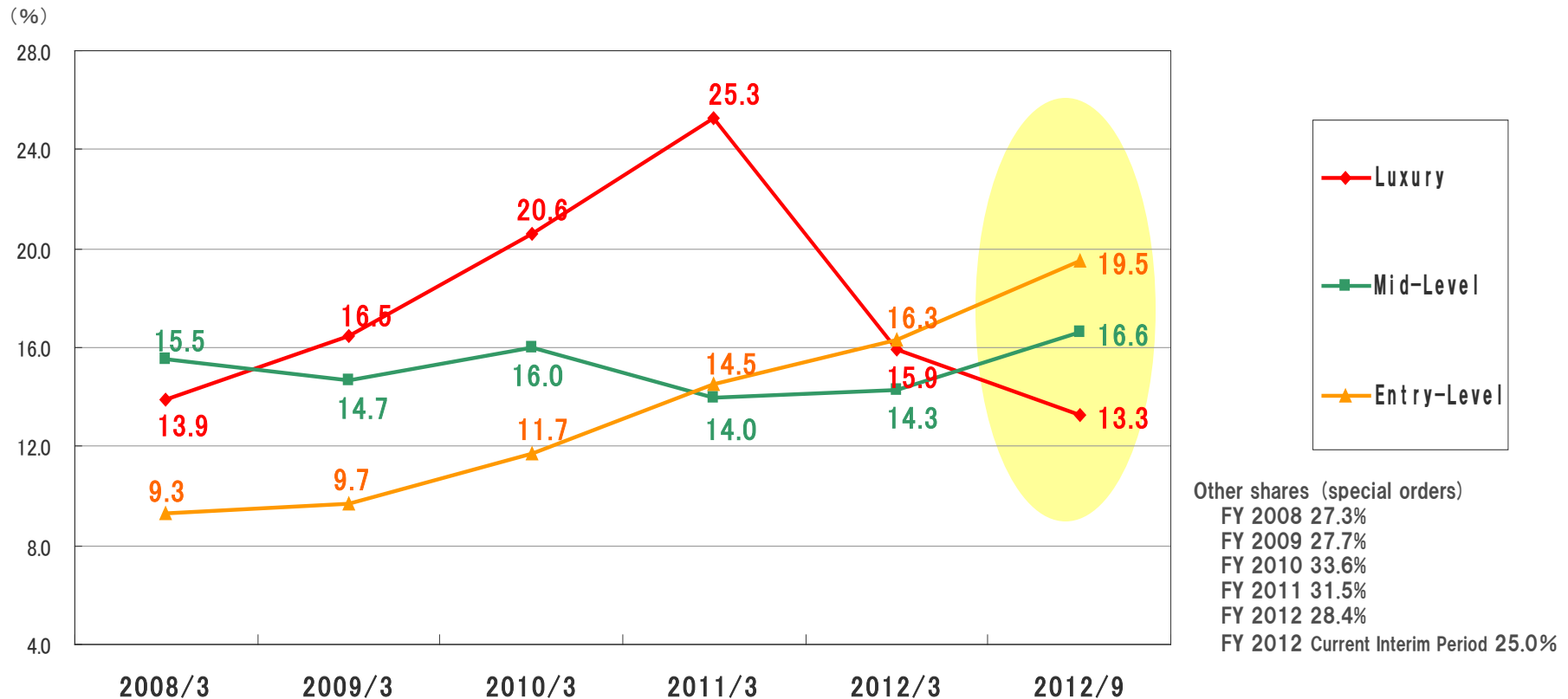
**Create a balanced system with 2 centers in eastern and western Japan, making self contained production of system kitchens possible at the Okayama factory.**



## 4. System Kitchen Market Share by Class

We greatly increased our share in mid-level and entry-level kitchens

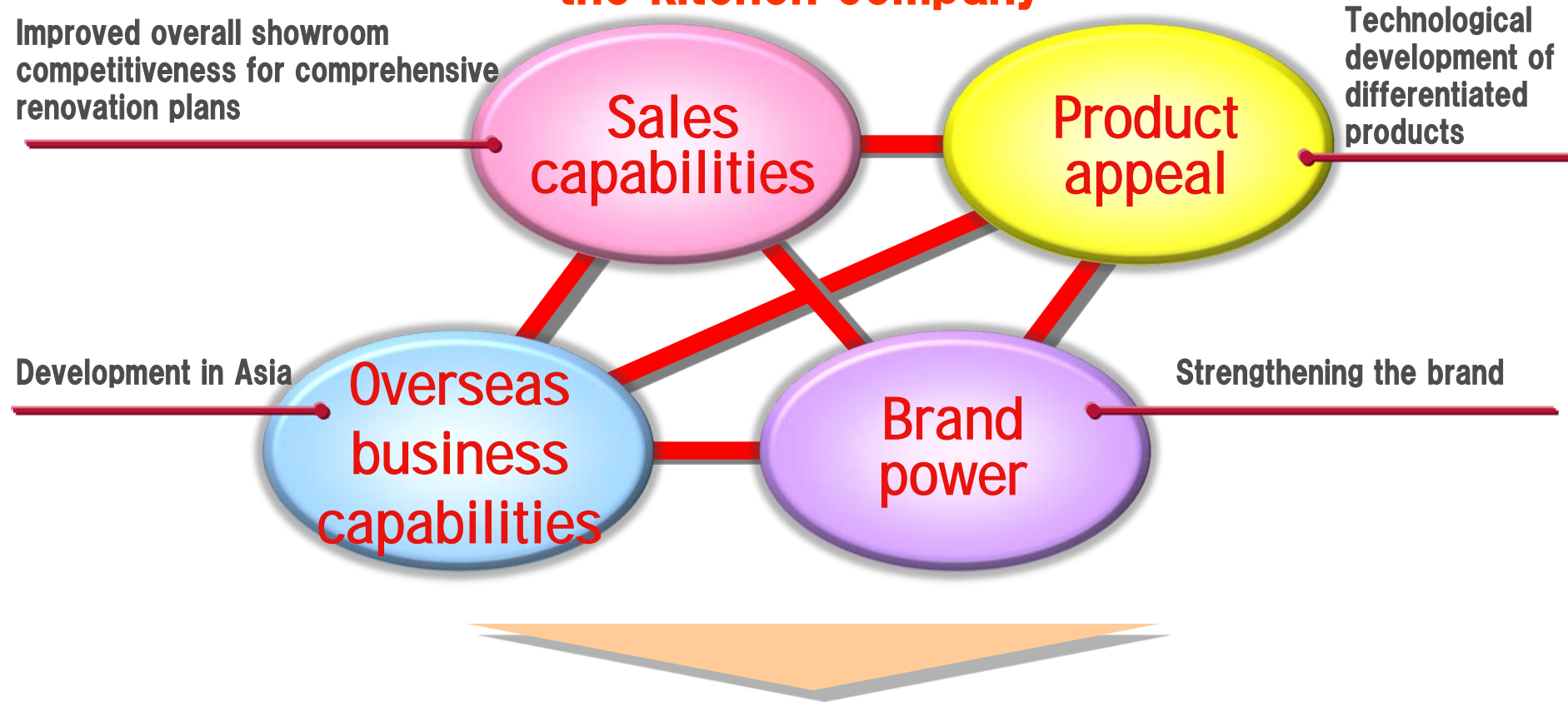
### Changes in System Kitchen Market Share



\*Calculated based on shipping statistics from the Japan Association of Kitchen & Bath.



# Thoroughly promote the 12 mid-term plans to become “the kitchen company”

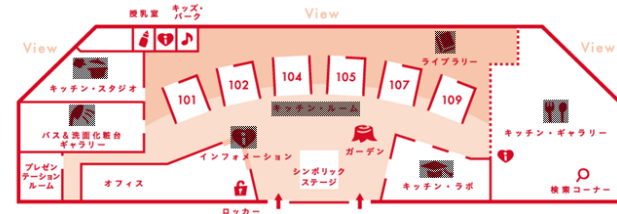


**Realization of “The Kitchen Company”**

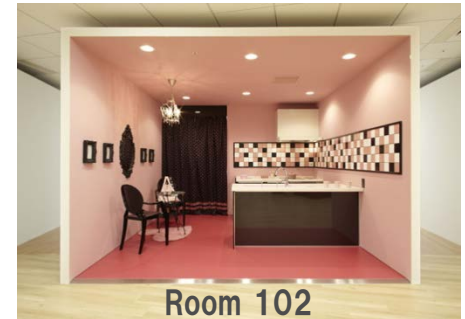
**Jul. 27  
OPEN**

## Cleanup's biggest "Sky Showroom" in Umeda, Osaka

# Kitchen Town Cleanup Osaka



- The concept is to create individual kitchen stories
- Full of trials that are beyond the imaginations of house manufacturers
- In the 6 kitchen rooms, salonese coordinate the spaces, which are updated on a monthly basis, under our direction
- In our kitchen studios, salonese conduct cooking classes twice per month
- Thanks to the support of Asahiya Bookstores, we have established a book and magazine corner for kitchen related publications



**We have had 9,365 visitors from July to October  
(347.6% compared to the previous year)**

We have completely redesigned our showrooms in each location



**Showrooms for hosting events**

**Space display showrooms**

- Improved event hosting capability
- Installation of “Trial Kitchen Corners” where you can actually experience cooking in the kitchen.
- Holding events concerning food and lifestyle, such as cooking classes, as well as distribution of relevant information.
- “Space Display” recreates living spaces, including the dining room
- This allows customers to get a sense of actual kitchens, storage space, and the distance to the dining room etc.

**We have had 299,568 visitors from April to October (105.2% compared to the previous year)**

## Strengthen renovation strategy

- “Water Section Workshops” member stores to 2,676 store system (As of September 31, 2012)
- Renovation Fairs  
Held last year: 2,183 (YoY 178.2%)  
Planned this year: 2,800 (Interim held 1,751)



## Strengthen logistics cooperation

- Implement renovation seminars for sub-customers in cooperation with strong local firms
- Implement renovation fairs with strong firms/sub-customers as sponsors

## The Craftsmanship of a Specialist Manufacturer

【Renewal results for H1】  
 ● “RAKUERA”  
 (upgraded model)

\*The models for the following components were updated in the first half of the fiscal year:

- System baths
- Washstands



The concept is “a system kitchen that seems like furniture”



## ● New design

Door colors  
30⇒38



A total of 6 new Aqualistone sink colors

## ● Cleanliness



## ● Storage



# FANCIO Including the large and practical “LL Bowl” ファンシオ Large and long life



Chic & Modern



Natural & Elegant

Clear & Modern



**[Form]** A wide, square form has been adopted

**[Capacity]** 23 liters, which allows you to easily wash large clothing such as down jackets

**[Material]** Cleanup's unique Pentam resin has been adopted, which is resistant to breakage even if you drop cosmetic jars etc.

## ◎ A Cooking Academy Creating Smiles from the Kitchen

Held for 3 years, since 2009, at Seitoku University (Matsudo City, Chiba Prefecture). This year, it has been moved to Mukogawa Women's University (Nishinomiya City, Hyogo Prefecture).

Around 80 participants so far

- Developing lectures regarding food and hands-on cooking classes in conjunction with the university, from various perspectives, such as regional cuisine, aesthetics, science, health, safety, and nutrition.



## ◎ Turning our showrooms into cooking schools, using salonese as teachers

Showrooms in Japan  
102



Registered salonese in Japan  
930



Information distributed to local people  
(57 events held in the first half of the year)

## ◎ Commemorating the establishment of "Omelet Day" by holding omelet making classes

- In collaboration with Nosan Corporation, which is famous for its Yodoran Hikari eggs
- Commemorative events held in the Shinjuku and Kobe showrooms on Saturday, June 2





## Participating in the **Bento Day Support Project**, which promotes education through making lunch, by holding Bento Day activities at Arakawa Ward, Nippori 6th Elementary School



Jul. 14 Presentation by Michikazu Hiramatsu from Kyushu University Graduate School



Aug. 7 Children's cooking classes (Tokyo Gas Studio + G)



Oct. 27 Children's cooking classes (Nippori 6th Elementary School Home Economics Classroom)



Nov. 10 First Bento Day event



協賛企業:

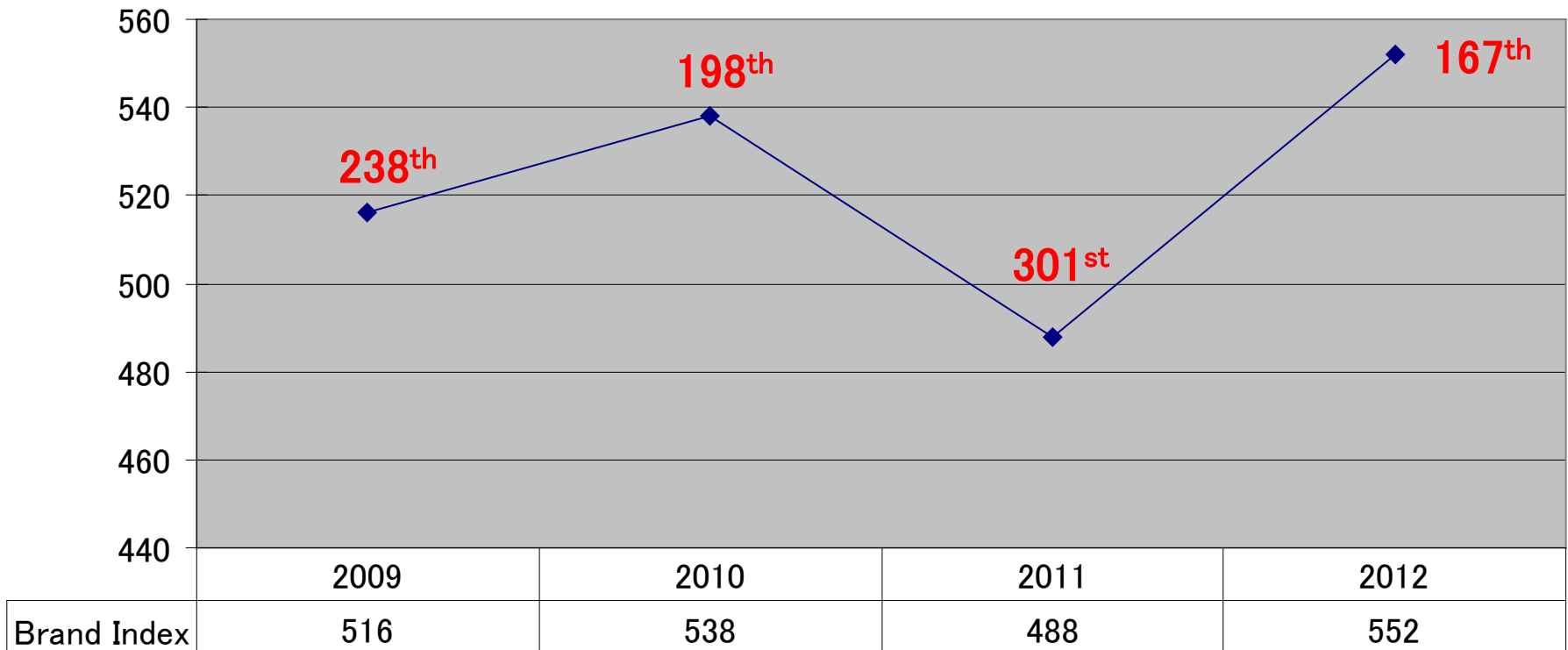


## Our brand image has increased in conjunction with the effectiveness of our commercials

- Our company brand's overall rating has increased by 64 points compared to the previous year
- Our ranking has increased by 134 places out of 560 companies



TV Commercial  
"Utilizing Stainless Steel"



(From Nikkei Research Inc. "Brand Strategic Survey" Corporate Brand Evaluation for FY 2012)

## ● China

In partnership with a house manufacturer, we plan to manufacture and supply kitchens, furniture, and parts in Shenyang, Liaoning

→ We will begin delivery of model homes to 3 localities, including Shenyang, in December

## ● Vietnam

Opened a new local showroom in conjunction with our agent

## ● Taiwan

Opened a local office to support our existing agent



## Aiming to create “products you can trust”...

Cleanup will continue to provide high-quality products, regardless of the times, and always with an emphasis on the consumer's point of view.

### Compliance with Laws/Systems

- Housing Function Display System (Quality Assurance Law)
- Effective Resource Use Promotion Law
- Long-Term Quality Housing Promulgation and Promotion Law, etc.

Cleanup's Product Creation  
“Products You Can Trust”



CSR  
Environmental  
Compliance

### 3R Efforts

- Reduce (Reduce creation of waste products)
- Reuse (Reuse waste products)
- Recycle (Reuse as raw materials)

### 【The Foundation of Product Creation】

CPS (Cleanup Production System), based on Cleanup's unique quality management beliefs

➔ Reflected in the CLEANLADY etc. which features a “stainless steel eco-cabinet” as standard.

◎On 65<sup>th</sup> anniversary of our inauguration, creating a foundation suitable for a “second inauguration”



**Aiming for a business that develops globally, while valuing individuals, families, and communities, based on our experience with the earthquake**

For any questions concerning investor relations,  
please contact:

クリナップ株式会社

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Fax 03-3800-2261

URL <http://cleanup.jp/>

## Disclaimer

This material is intended to provide information regarding FY2012 Interim Results (April 2012~September 2012) and does not constitute a solicitation to invest in Cleanup Corporation-issued securities.

Furthermore, this material was created based upon data current as of November 20, 2012. Opinions and forecasts contained within this material were the subjective judgments of Cleanup Corporation at the time of creation. No guarantee or promise is made as to the accuracy or completeness of this information. Additionally, this information is subject to change without prior notice.