



キッチンから、笑顔をつくろう

"To create smiles from the kitchen"

**Presentation Material:
Announcement of FY 2011 Interim Results**

November 14, 2011



キッチンから、笑顔をつくろう

I . Interim Results Outline

1. Outline of Consolidated Results for Interim Period Ended September 2011

(Units: millions of yen)

	2011/9 (Actual Results)	2010/9 (Actual Results)	<i>Change From Prev. Period</i>	2011/9 (Previous Forecast)	<i>Compared To Revised Plan</i>
Net Sales	46,478	50,982	△8.8%	46,000	1.0%
Operating Income	520	1,874	△72.2%	100	420.6%
Ordinary Income	433	1,760	△75.4%	100	333.2%
Interim Net Income	△149	1,249	— %	△600	— %
Interim Net Income Per Share	△3.21yen	26.66yen	— %	△12.88yen	— %

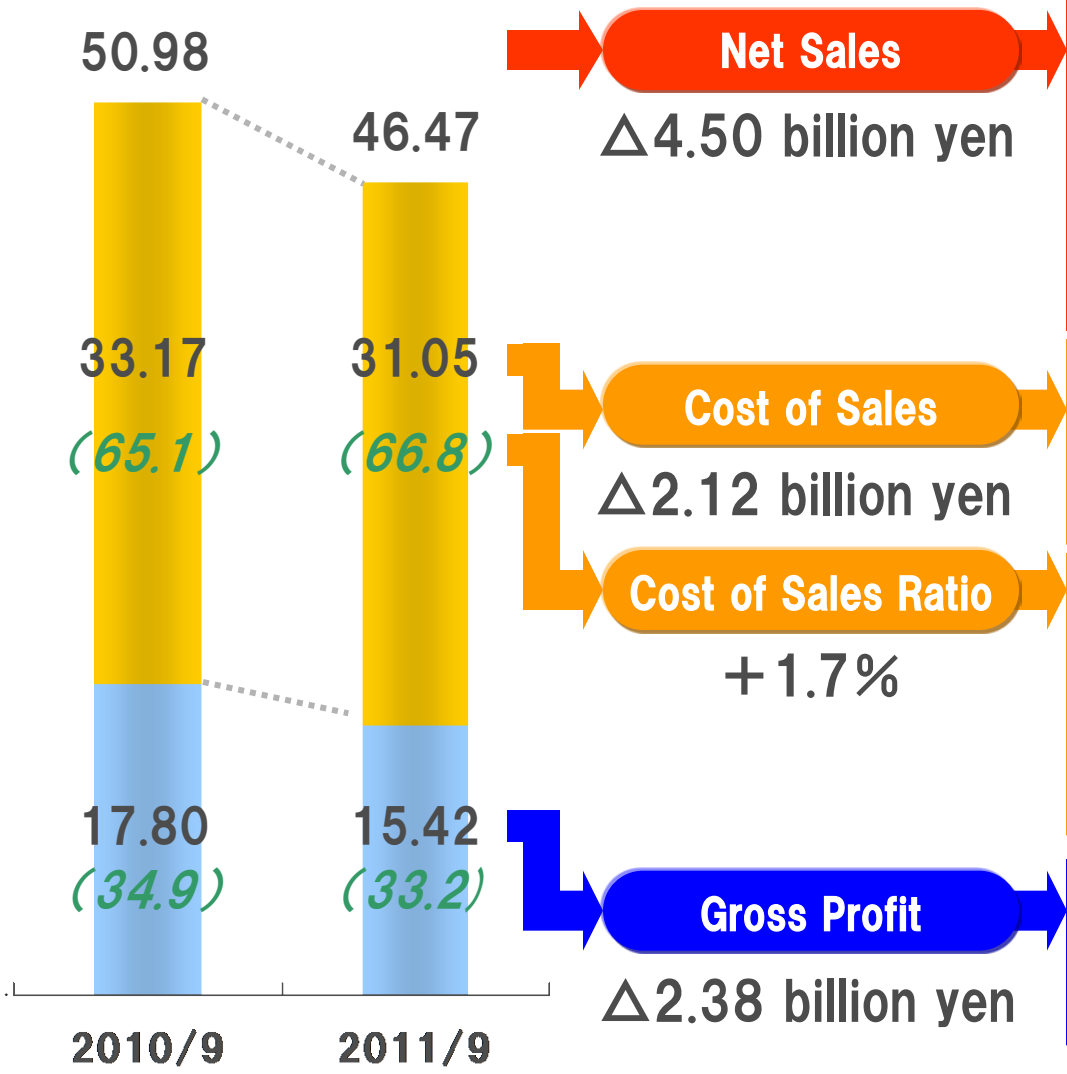
* Previous Forecast: Announced August 4, 2011

2. Consolidated Profits ① Net Sales, Gross Profit

(Units: billions of yen)

【Increased/Decreased Values (Rates)】

【Main Increase/Decrease Factors】



● System Kitchens	Δ2,770 million yen
▪ S. S.	Δ1,200 million yen
▪ CLEANLADY	Δ470 million yen
▪ RAKUERA	+280 million yen
▪ Others	Δ1,380 million yen
● Sectional System Kitchen	Δ1,180 million yen
● System Bathrooms	+200 million yen
● Washstands/Vanities	Δ270 million yen

● Decrease Due to Decreased Net Sales	Δ2,930 million yen
● Increase Due to Increased Cost of Sales Ratio	+810 million yen

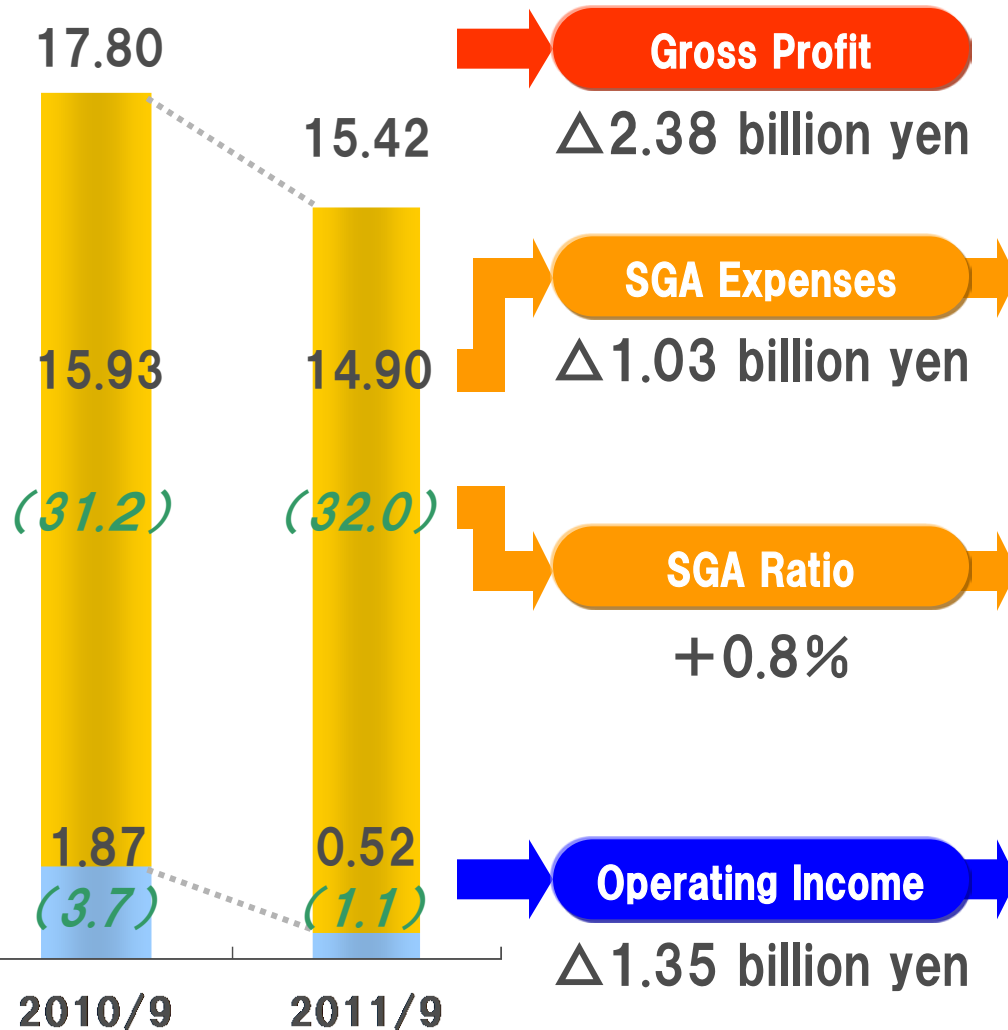
● Increase in S.S., CLEANLADY Cost Ratio	+0.3 point
● Increase in RAKUERA Cost Ratio	+0.3 point
● Increase in System Bathrooms Cost of Sales Ratio	+0.8 point
● Increase in Cost of Raw Mat	+0.1 point
● Cost Decrease	+0.2 point

● Decrease Due to Decreased in Net Sales	Δ1,570 million yen
● Decrease in Gross Profit Ratio	Δ810 million yen

2. Consolidated Profits ② SGA Expenses, Operating Income

(Units: billions of yen)

【Increased/Decreased Values (Rates)】



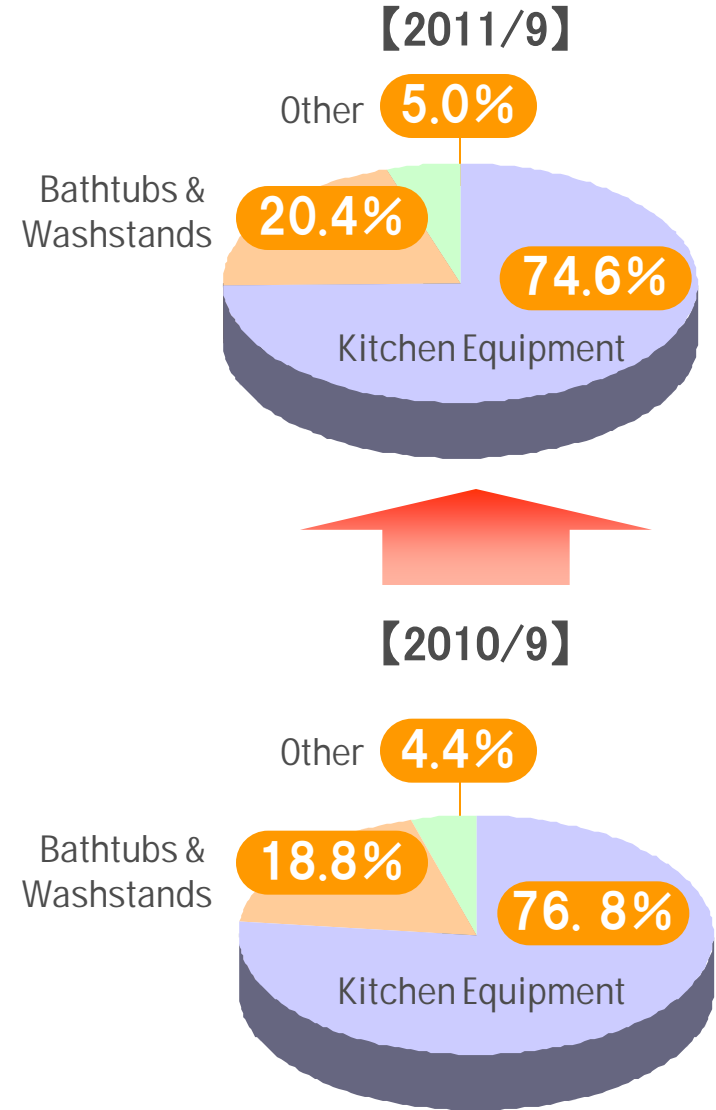
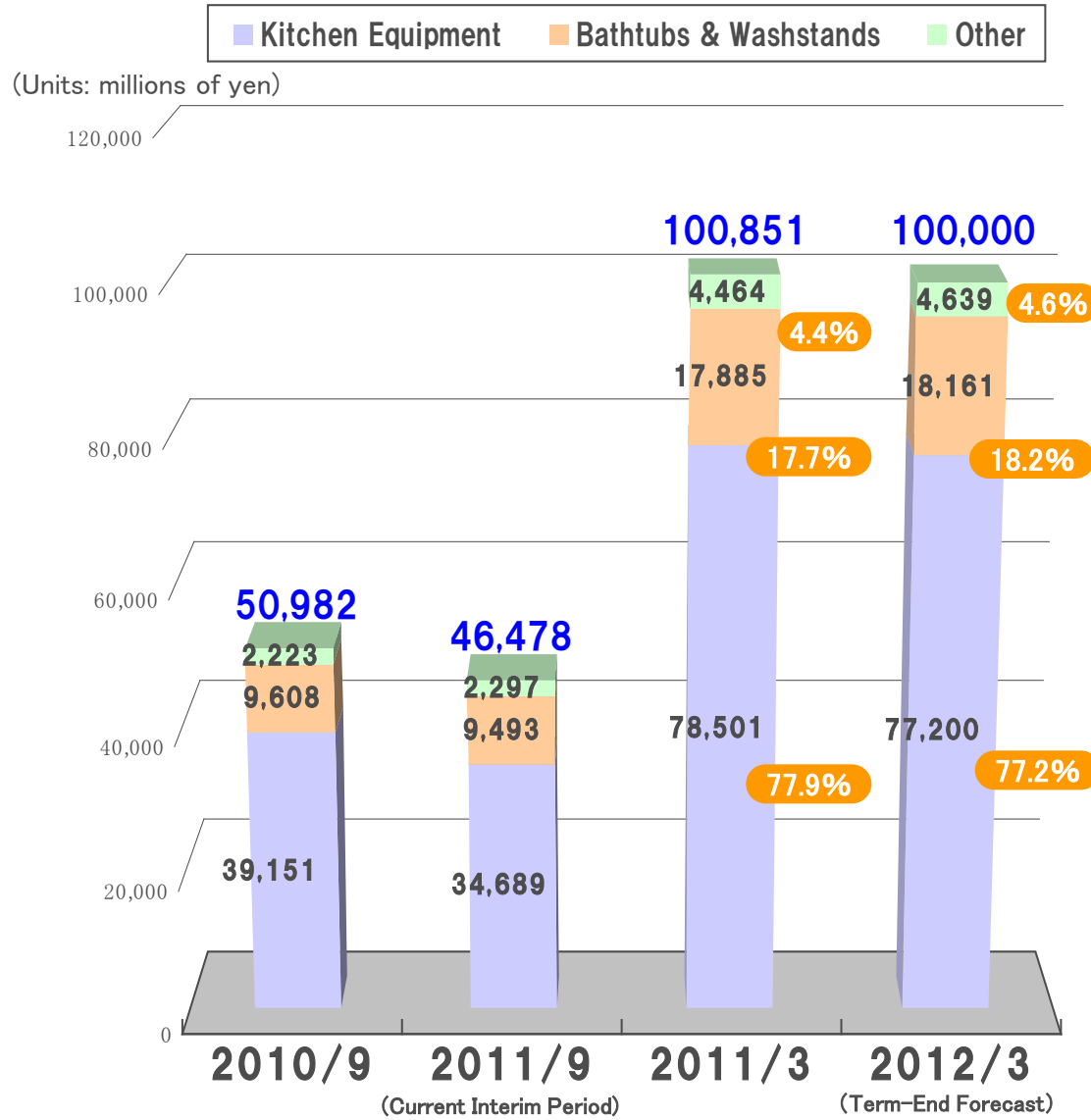
【 Main Increase/Decrease Factors 】

● Sales Expenses	Δ230 million yen
● Distribution Expenses	Δ170 million yen
● Personnel Expenses	Δ380 million yen
● Administrative Expenses	Δ250 million yen

● Sales Expenses	Δ0.3 points
● Distribution Expenses	+0.2 points
● Personnel Expenses	+0.5 points
● Administrative Expenses	+0.4 points

● Decrease in Gross profit	Δ2,380 million yen
● Change in SGA Expenses	+1,030 million yen

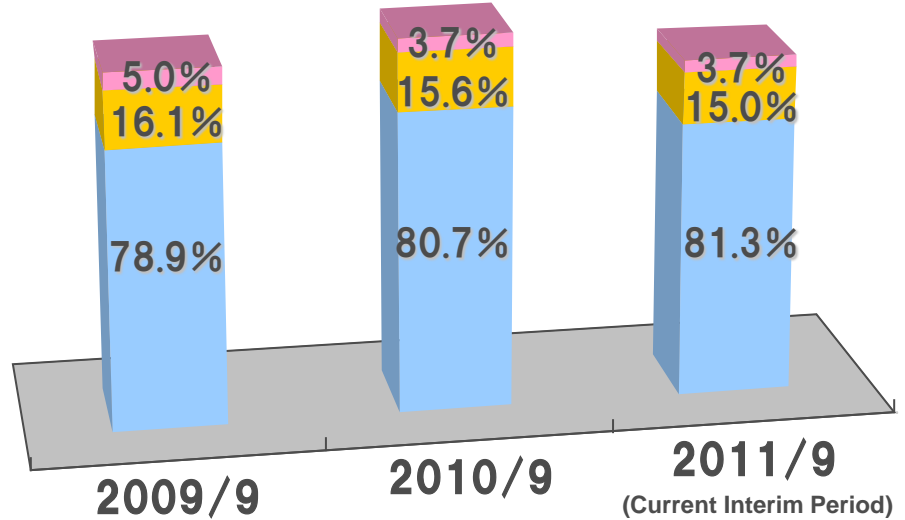
3. Sales Composition ① By Segment (Consolidated)



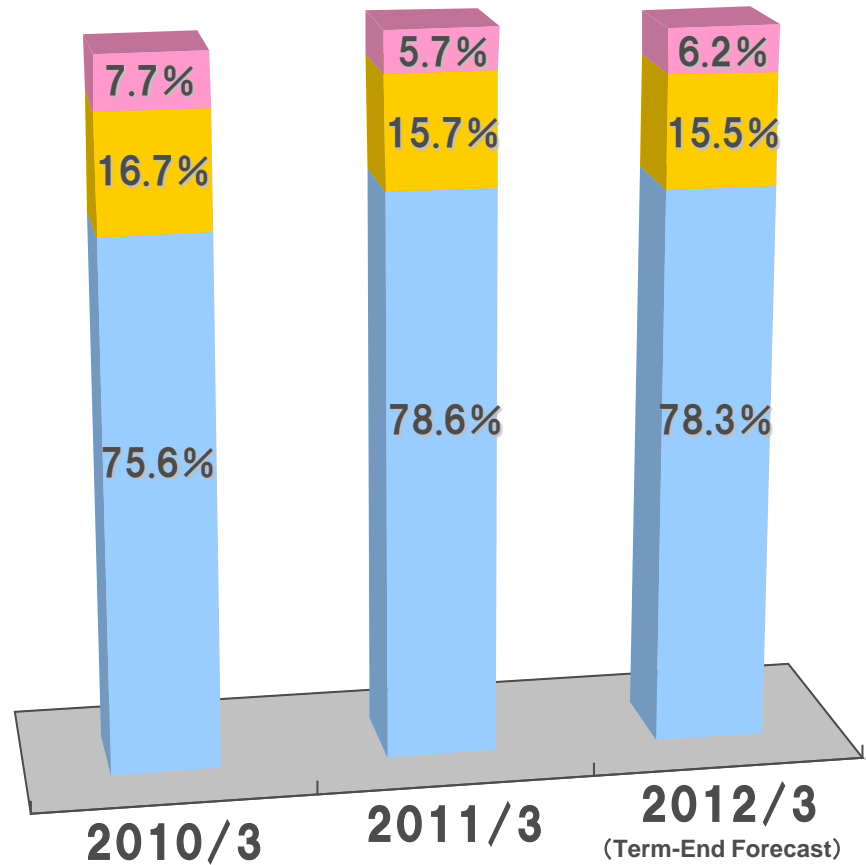
3. Sales Composition ② By Sales Route (Non-Consolidated)

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

【First-Half Base】



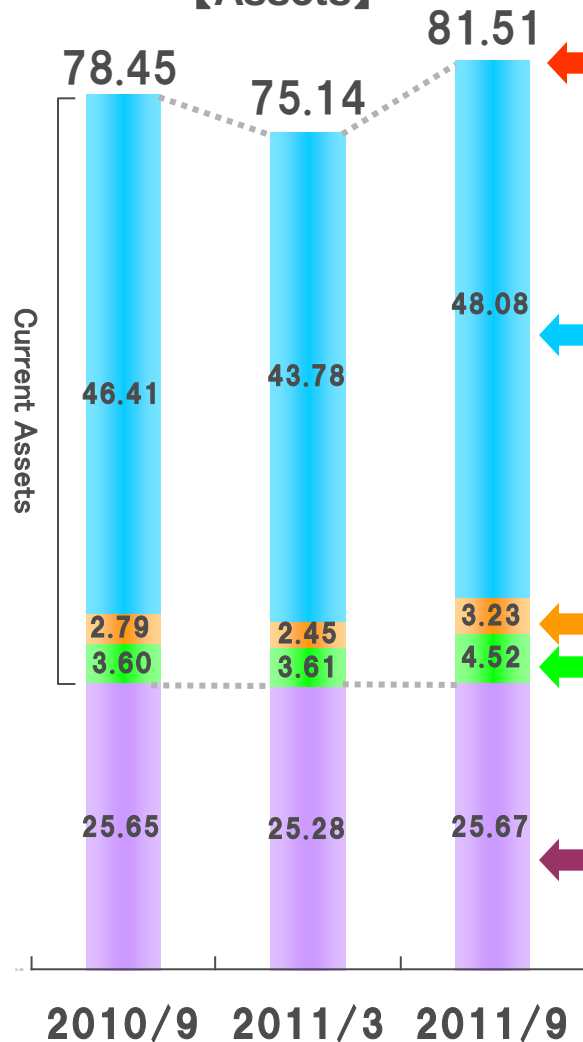
【Full-Term Base】



4. Consolidated Balance Sheet Summary – 1/2

(Units: billions of yen)

【Assets】



【Increased/Decreased Values】

Total Assets
+6.36 billion yen

**Cash and Deposits
Notes and Accounts Receivable**
+4.30 billion yen

Inventory
+0.77 billion yen

Other Current Assets
+0.91 billion yen

Fixed Assets
+0.38 billion yen

【 Main Increase/Decrease Factors 】

● Current Assets +5,980 million yen
● Fixed Assets +380 million yen

● Cash and Deposits Δ 390 million yen
● Notes and Accounts Receivable +4,690 million yen

● Increase in Direct-Sales Inventory

● Increase in marketable securities (CP) +500 million yen

● Tangible Fixed Assets +760 million yen
● Intangible Fixed Assets Δ 270 million yen
● Securities Investments Δ 100 million yen

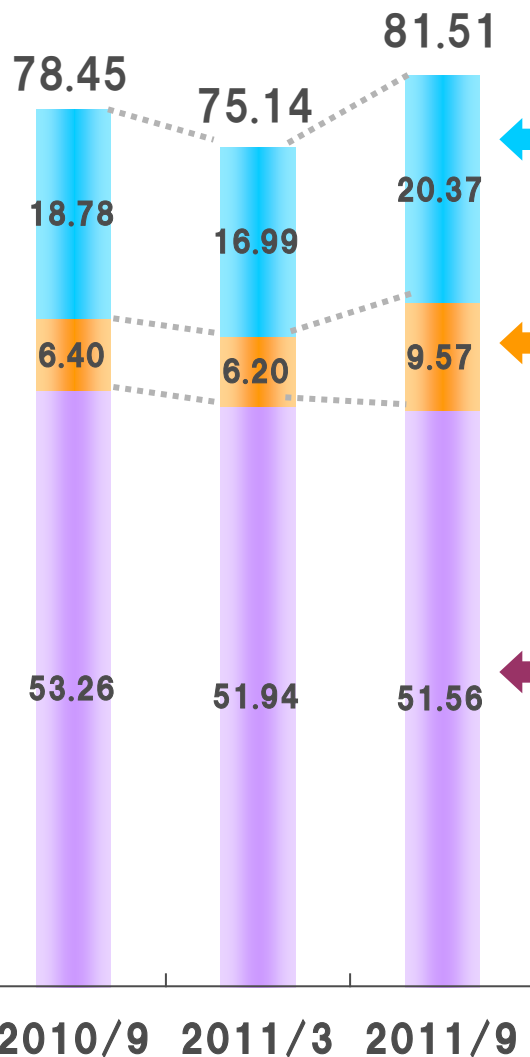
4. Consolidated Balance Sheet Summary – 2/2

(Units: billions of yen)

【 Increased/Decreased Values 】

【 Primary Reasons for Increase/Decrease 】

【 Liabilities・Minority Interests・Assets 】



Current Liabilities
+ 3.38 billion yen

Long-Term Liabilities
+ 3.37 billion yen

Total Assets
△0.38 billion yen

- Trade Accounts Payable + 3,020 million yen
- Other Accounts Payable + 900 million yen
- Short-term borrowing △200 million yen
- Allowance for Loss on Disaster △260 million yen

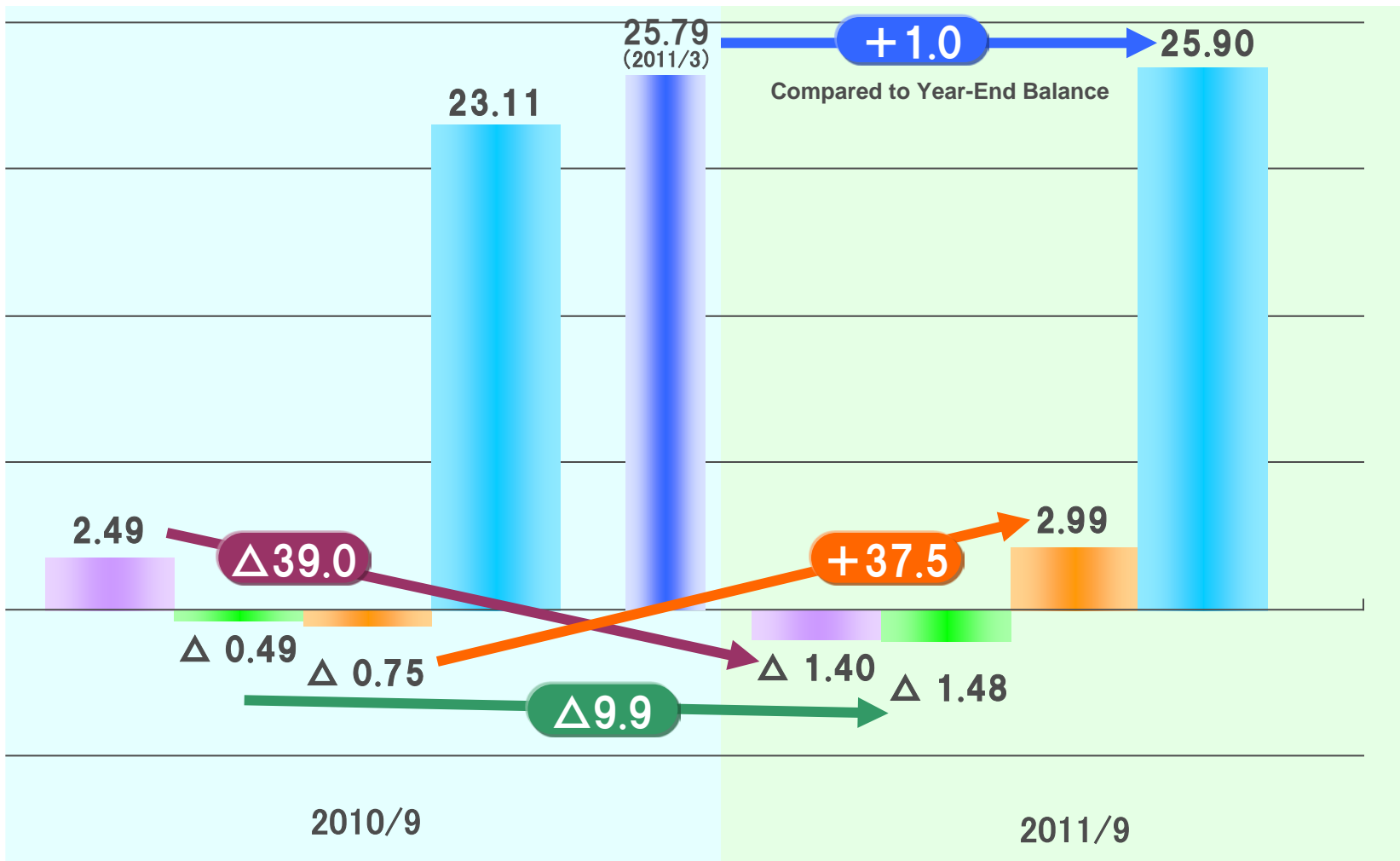
- Long-term borrowing + 3,480 million yen

- Interim Net Income △140 million yen
- Dividends △230 million yen

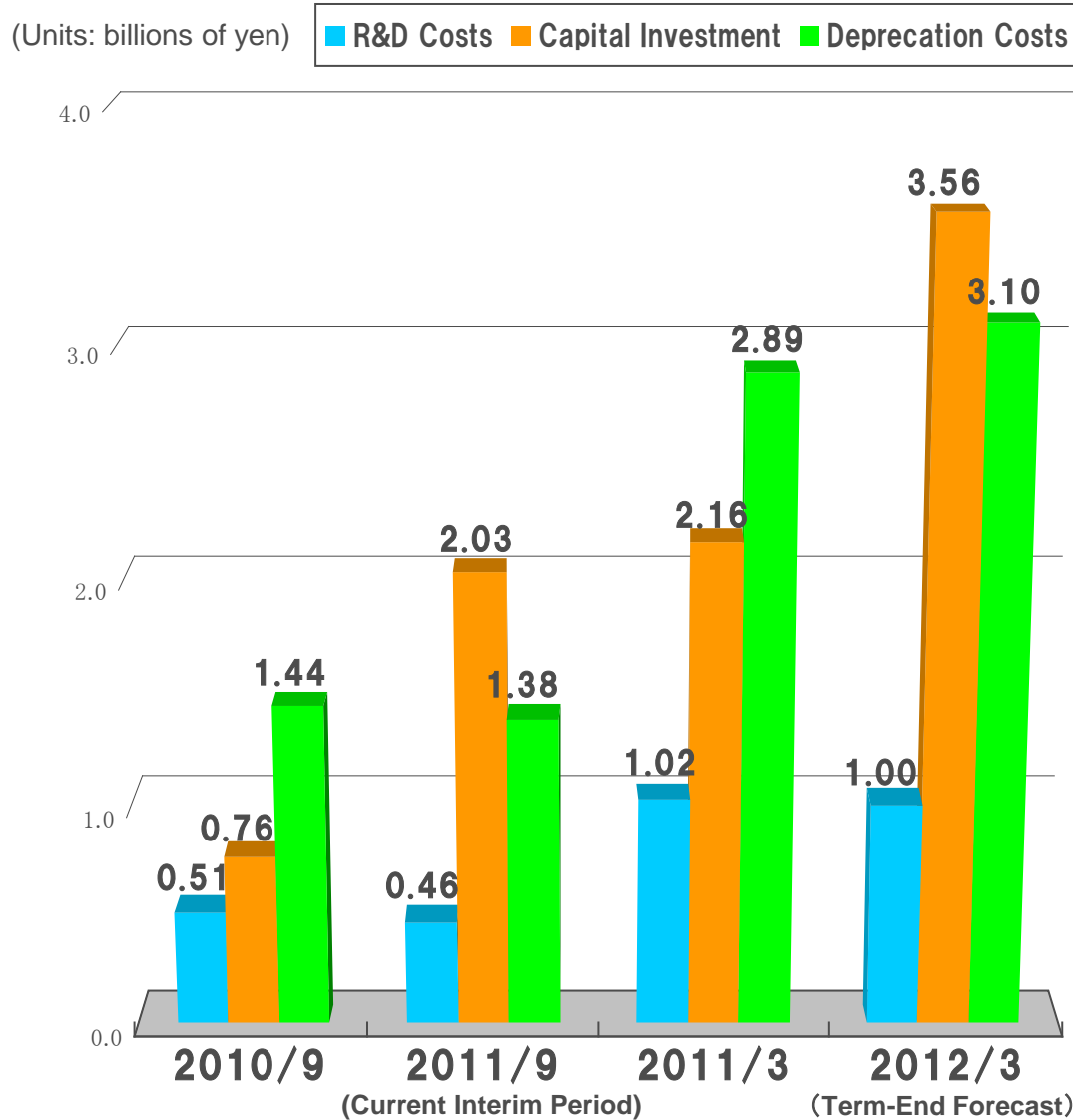
5. Consolidated Cash Flow Statement Summary

(Units: billions of yen)

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



6. Capital Investments (Consolidated)



【FY2012 Major Capital Investment Details】

First-Half Results

- ① Dies and Equipment for New Products 310 million yen
- ② Showroom Renovation 680 million yen
- ③ Commercial Real Estate 720 million yen
- ③ Information Investment 100 million yen

Second-Half Plans

- ① Production-Related 630 million yen
- ② Operations-Related 480 million yen
- ③ Information-Related 320 million yen
- ④ Others 100 million yen

7. Outline of Non-Consolidated Results for Interim Period Ended September 2011

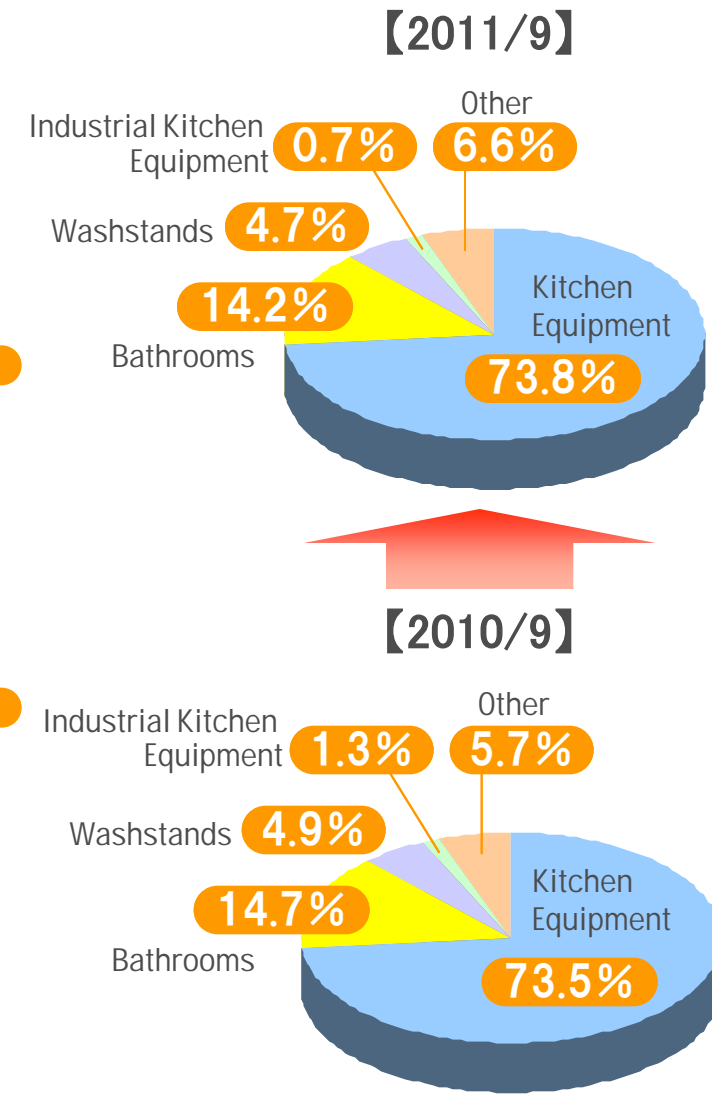
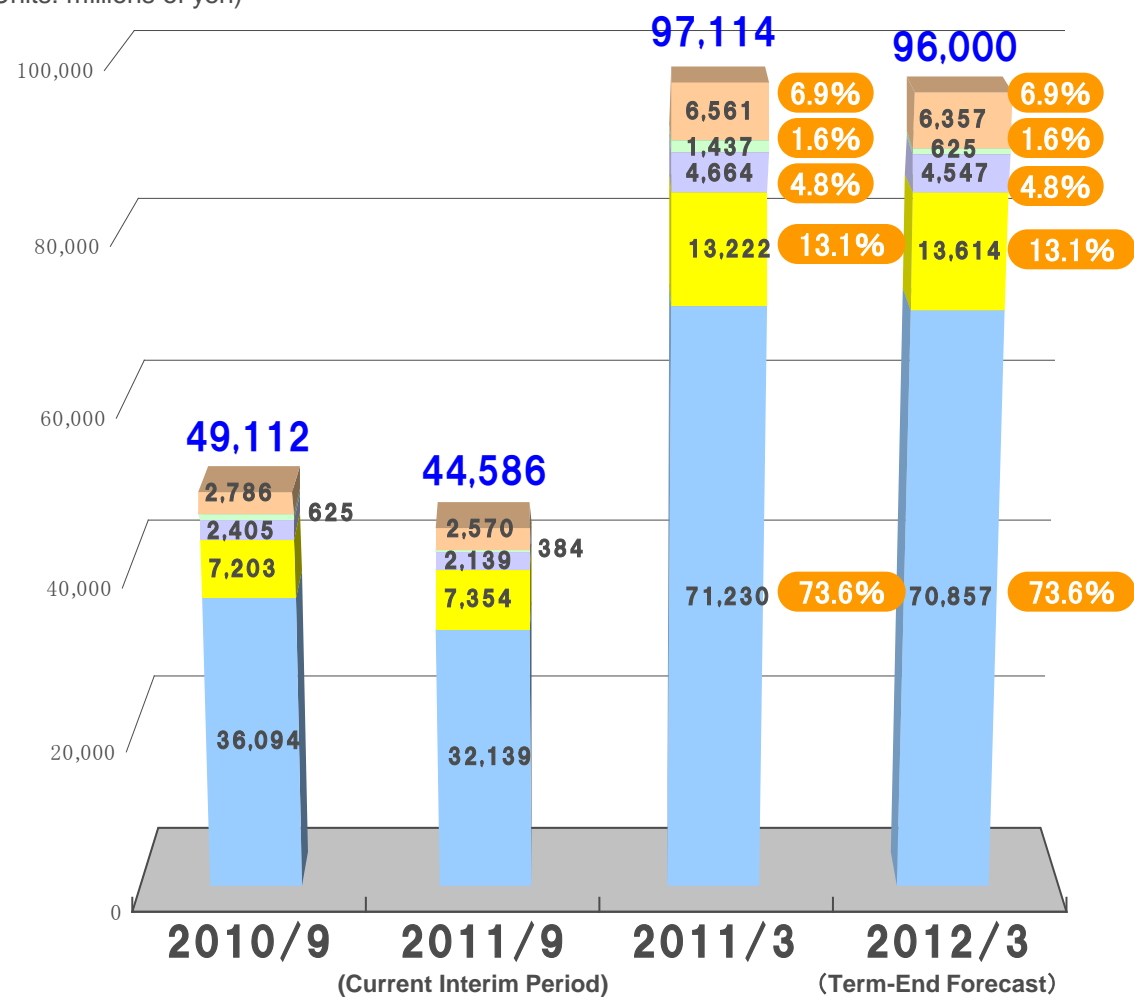
(Units: millions of yen)

	2011/9 (Actual Results)	2010/9 (Actual Results)	<i>Change From Prev. Period</i>
Net Sales	44,586	49,112	△9.2%
Operating Income	178	1,462	△87.8%
Ordinary Income	291	1,580	△81.5%
Interim Net Income	△93	1,141	— %
Interim Net Income Per Share	△2.01yen	24.36yen	— %

8. Non-Consolidated Sales Composition By Segment

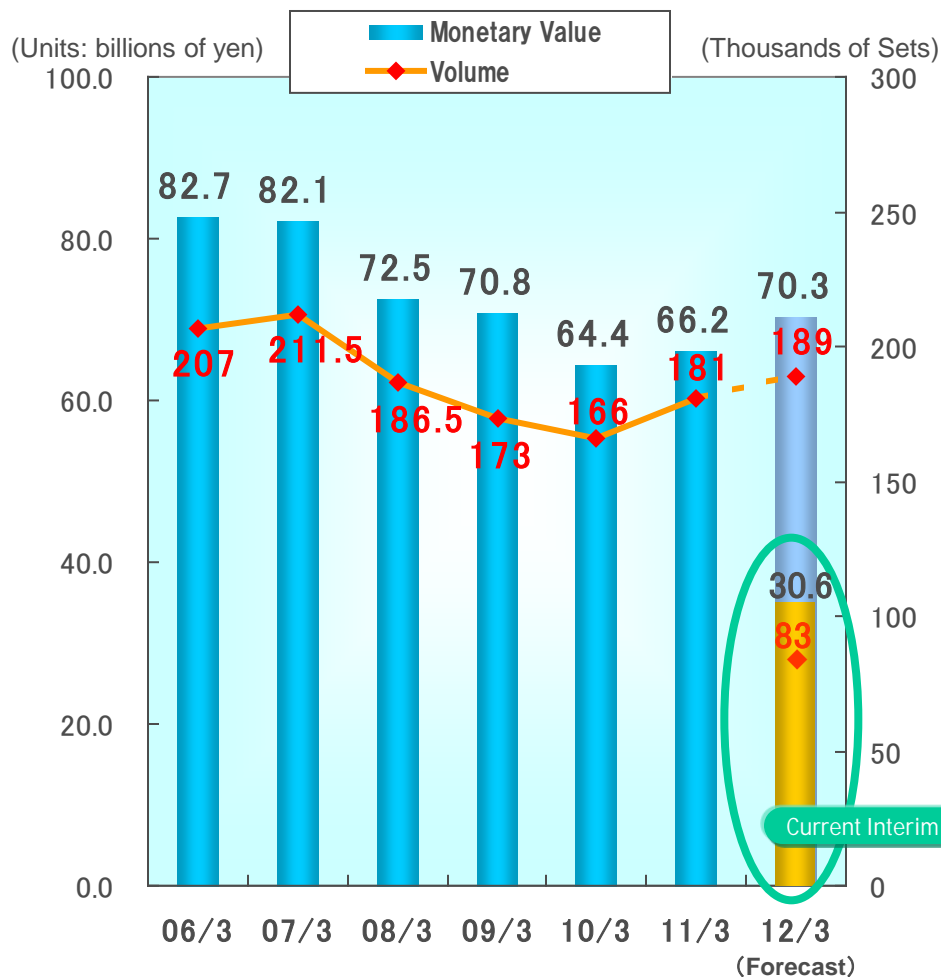


(Units: millions of yen)

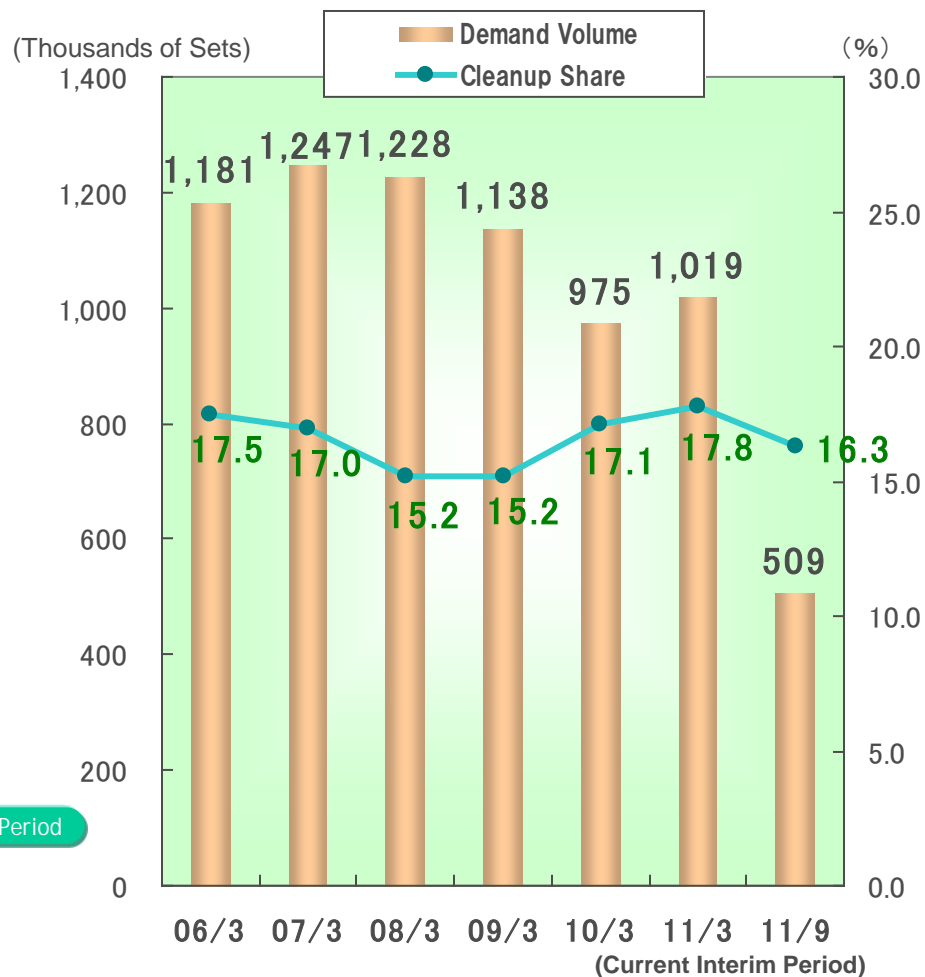


9. Sales Results For Major Products and Cleanup Market Share - 1/4

Complete System Kitchen Sales Results

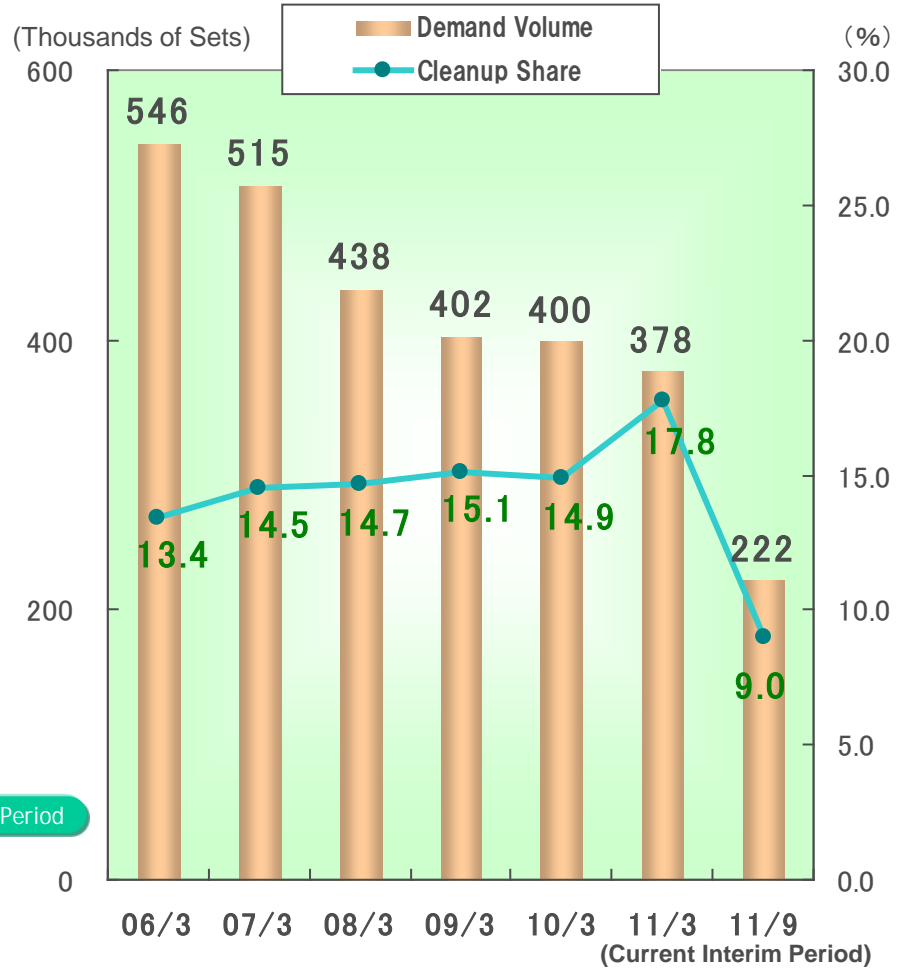
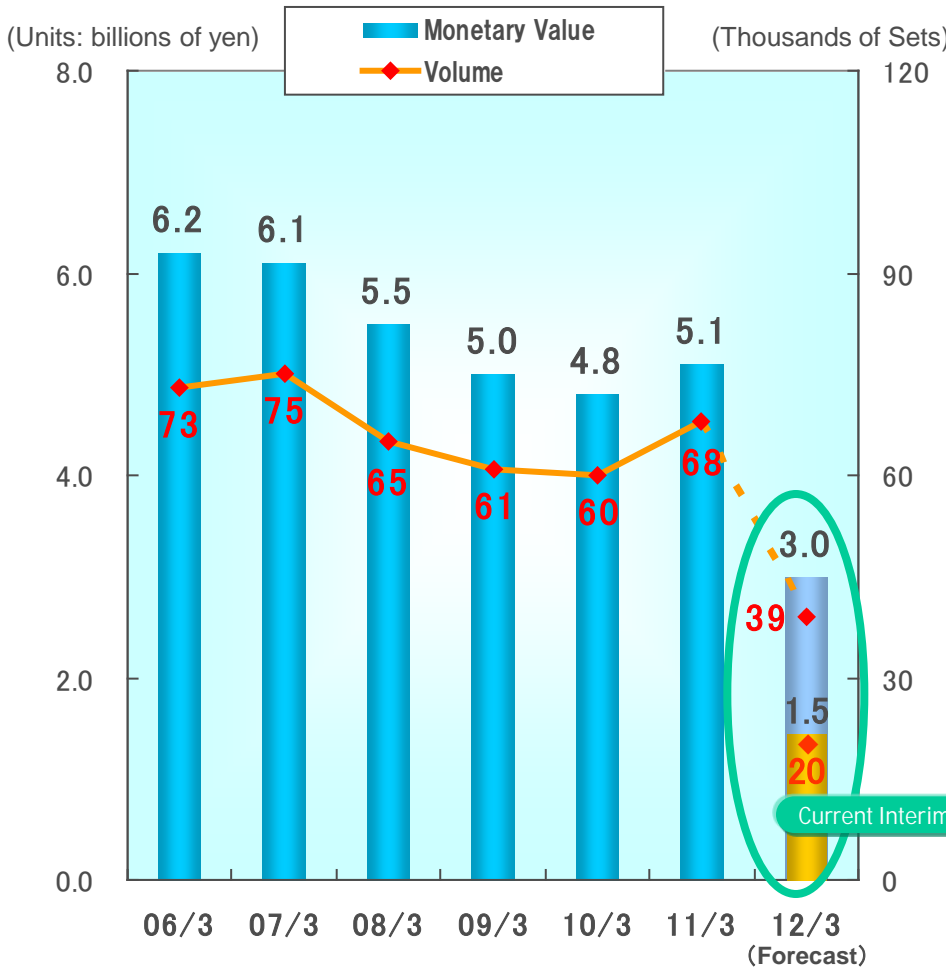


Demand Trends and Market Share

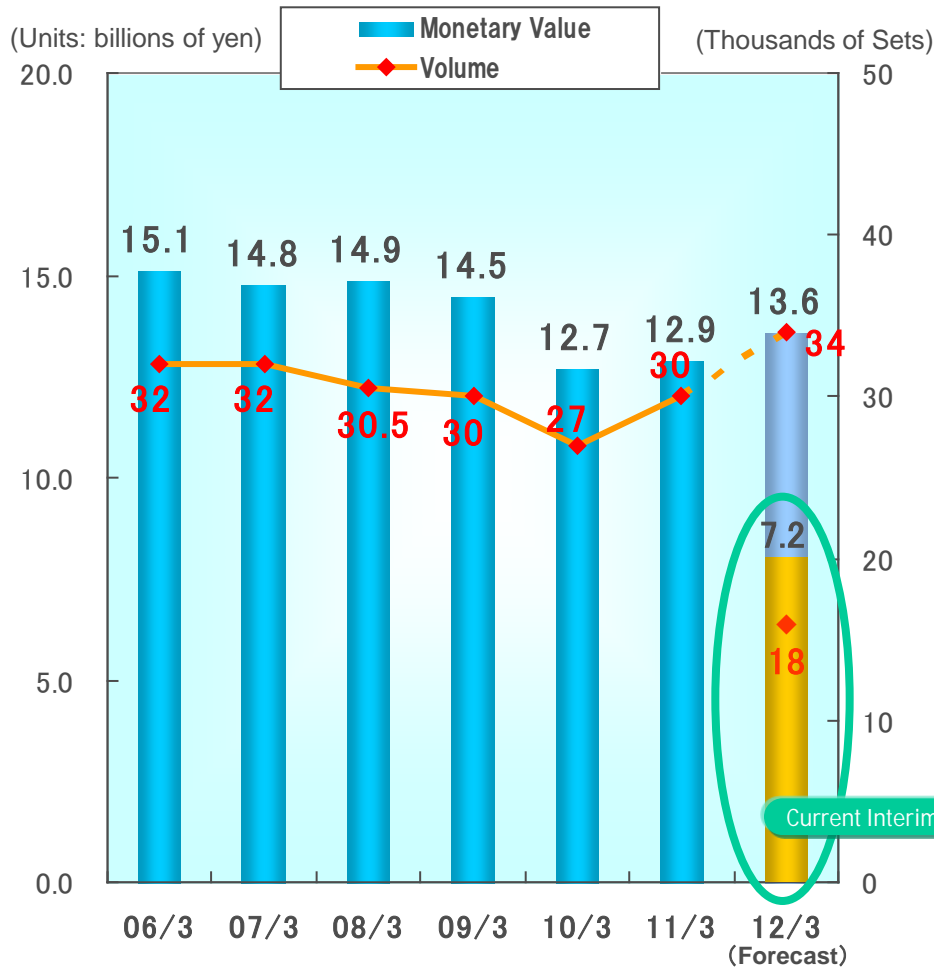


Sectional System Kitchen Sales Results

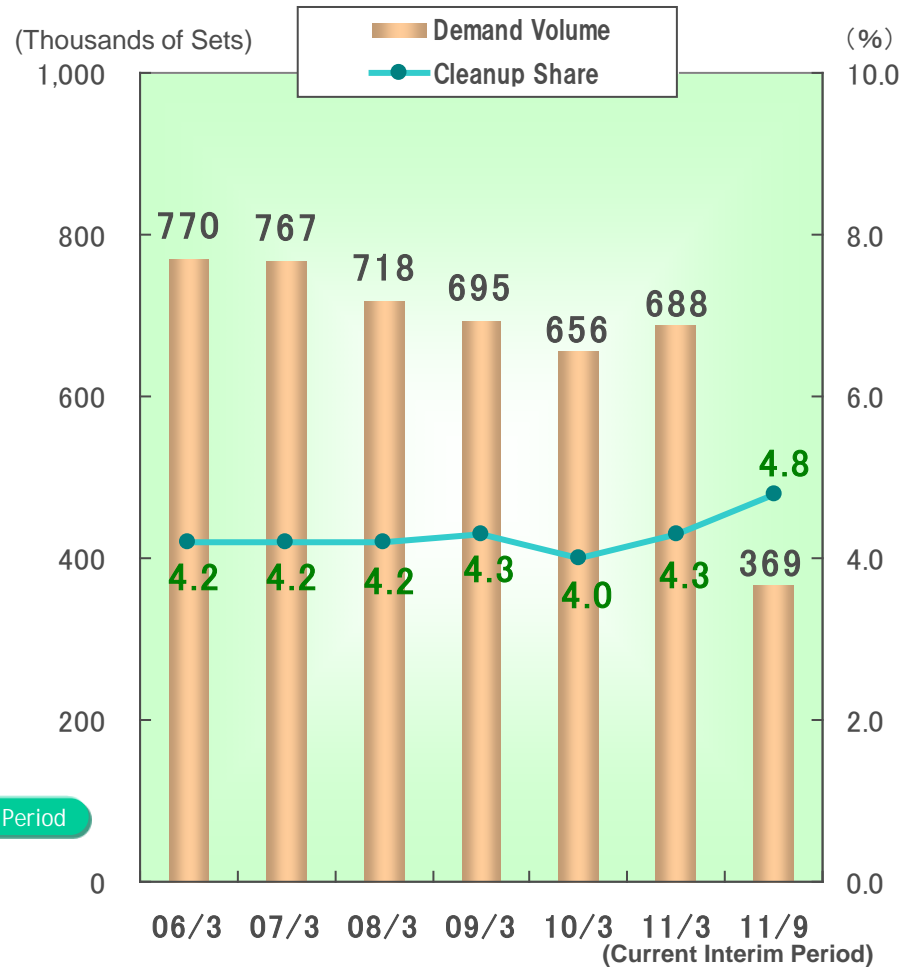
Demand Trends and Market Share



Modular System Bathroom Sales Results



Demand Trends and Market Share

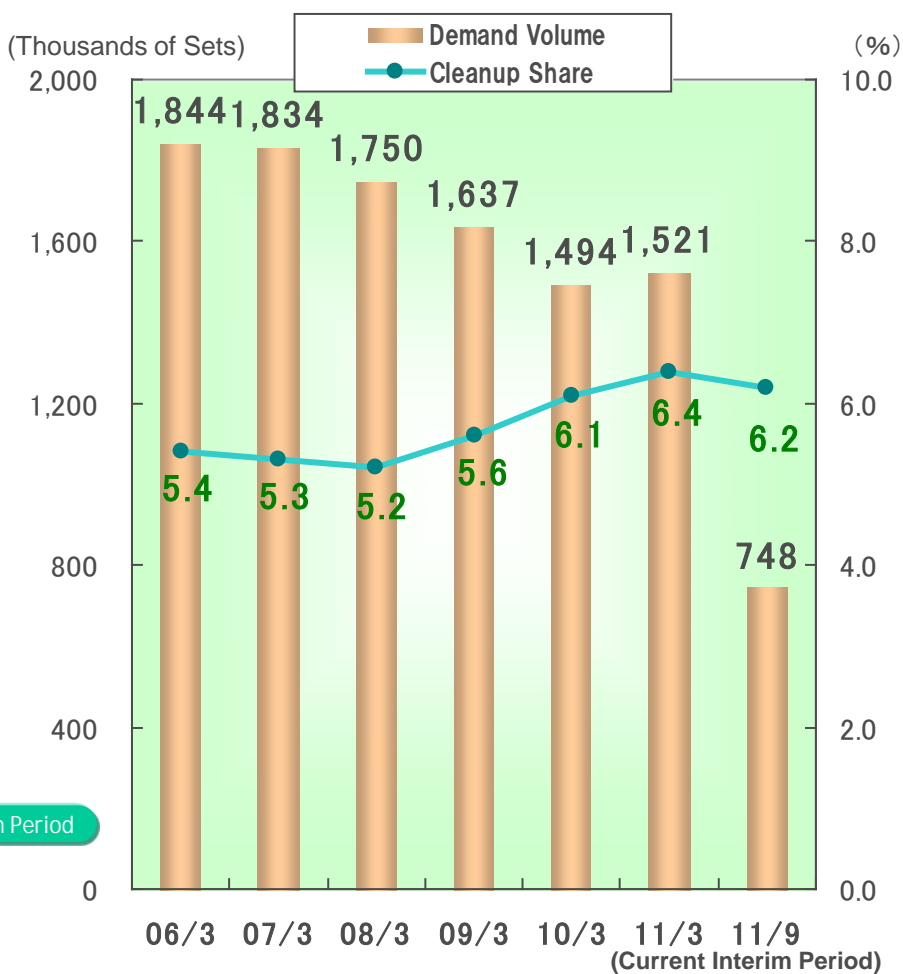
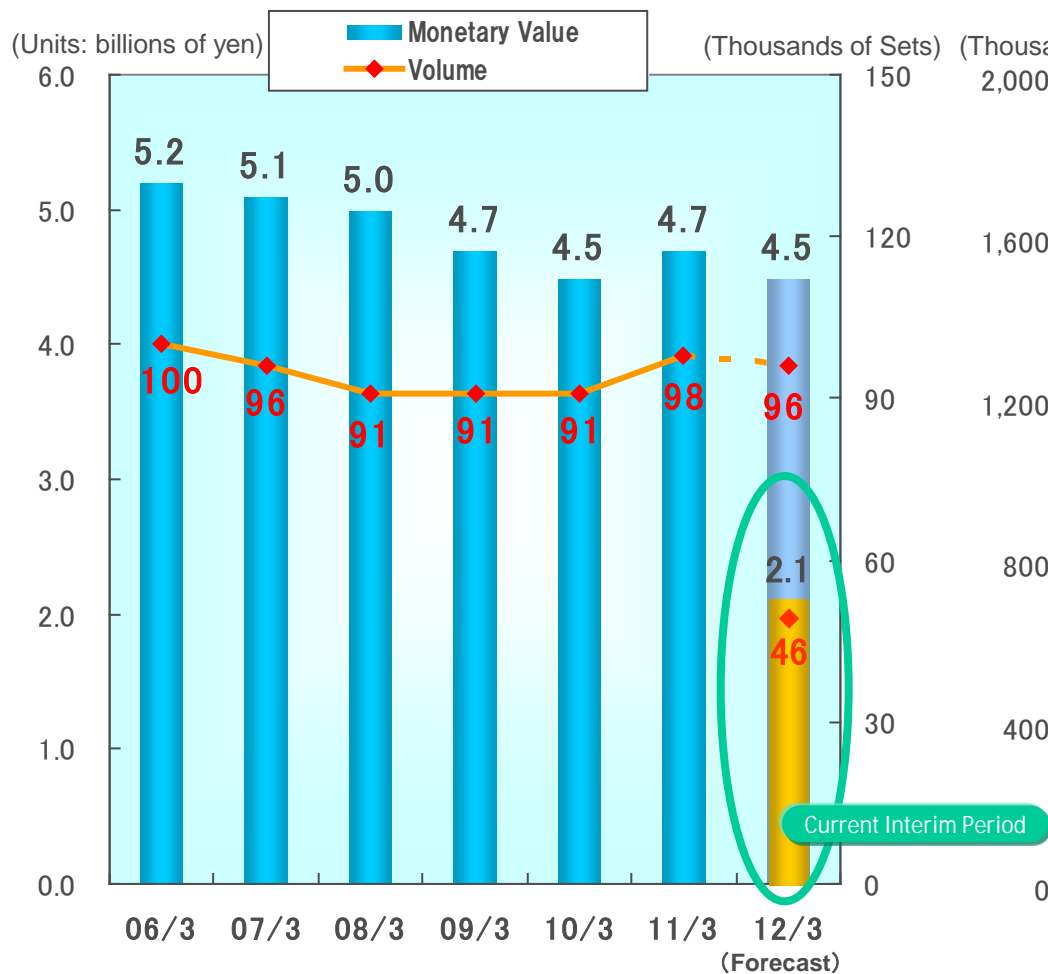


Note) Total number of companies increased from 11 to 15 from FY2005

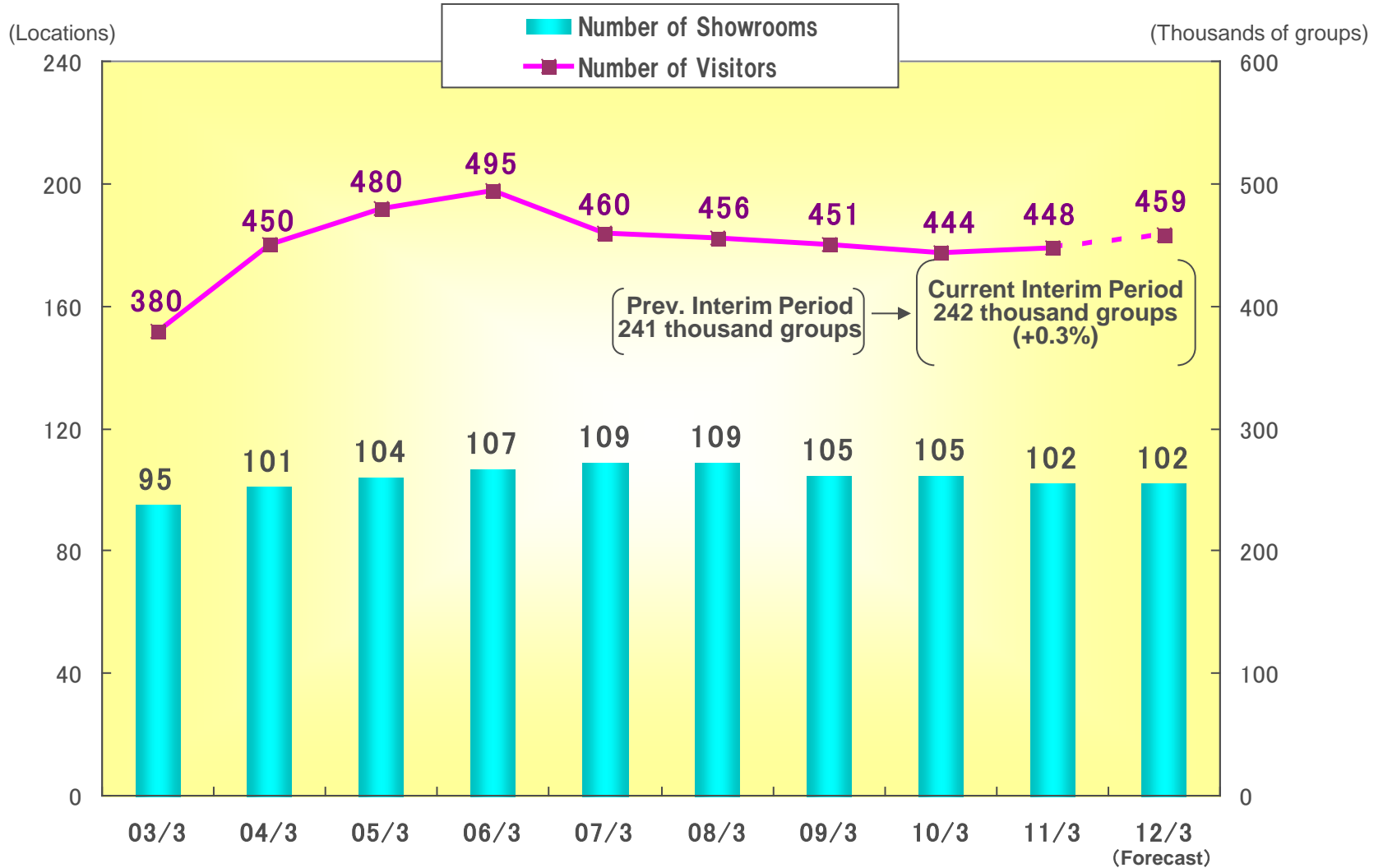
9. Sales Results For Major Products and Cleanup Market Share - 4/4

Washstands/Vanities

Demand Trends and Market Share



10. Showrooms And Visitor Numbers



11. Forecasted Consolidated Results For The Period Ending March 2012

(Units: millions of yen)

	2011/3 (Actual Results)	2012/3 (Previous Forecast)	2012/3 (Full-Term Forecast)	<i>Change From Prev. Period</i>	<i>Compared to Plan</i>
Net Sales	100,851	100,000	100,000	$\Delta 0.8\%$	<i>0.0%</i>
Operating Income	2,876	1,600	1,600	$\Delta 44.4\%$	<i>0.0%</i>
Operating Margin	2.9%	1.6%	1.6%	-	-
Ordinary Income	2,590	1,500	1,500	$\Delta 42.1\%$	<i>0.0%</i>
Ordinary Income Margin	2.6%	1.5%	1.5%	-	-
Net Income	257	300	450	75.1%	50.0%
Net Income Margin	0.3%	0.3%	0.5%	-	-



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II . Future Strategy

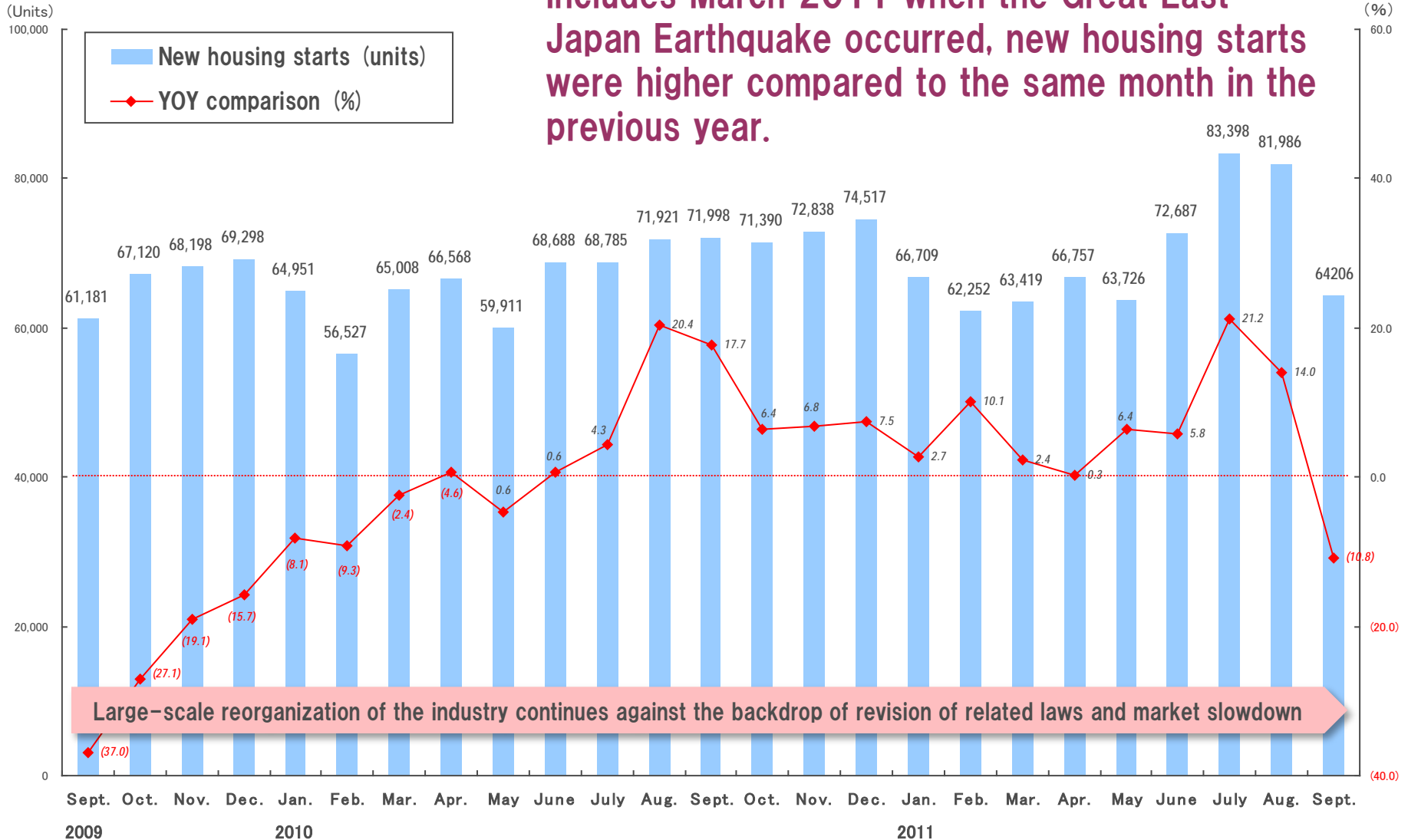
Details of Recovery

- 3/11** Orders stopped due to Great East Japan Earthquake
- 4/11~** Orders begin gradually for some products
- End of May** Orders/production of major products possible
(System kitchens, System bathrooms, etc.)
- 
- We would like to thank our customers and reassure them that we have begun proactive efforts to show Cleanup's goal to "create smiles from the kitchen."
- 6/1** New CLEANLADY released
- 8/22** Orders/production of all product series possible
(Production preparation complete for some kitchen series products which still had orders stopped)

2. Management Environment

New housing starts

For 15 consecutive months up to August, which includes March 2011 when the Great East Japan Earthquake occurred, new housing starts were higher compared to the same month in the previous year.



Large-scale reorganization of the industry continues against the backdrop of revision of related laws and market slowdown

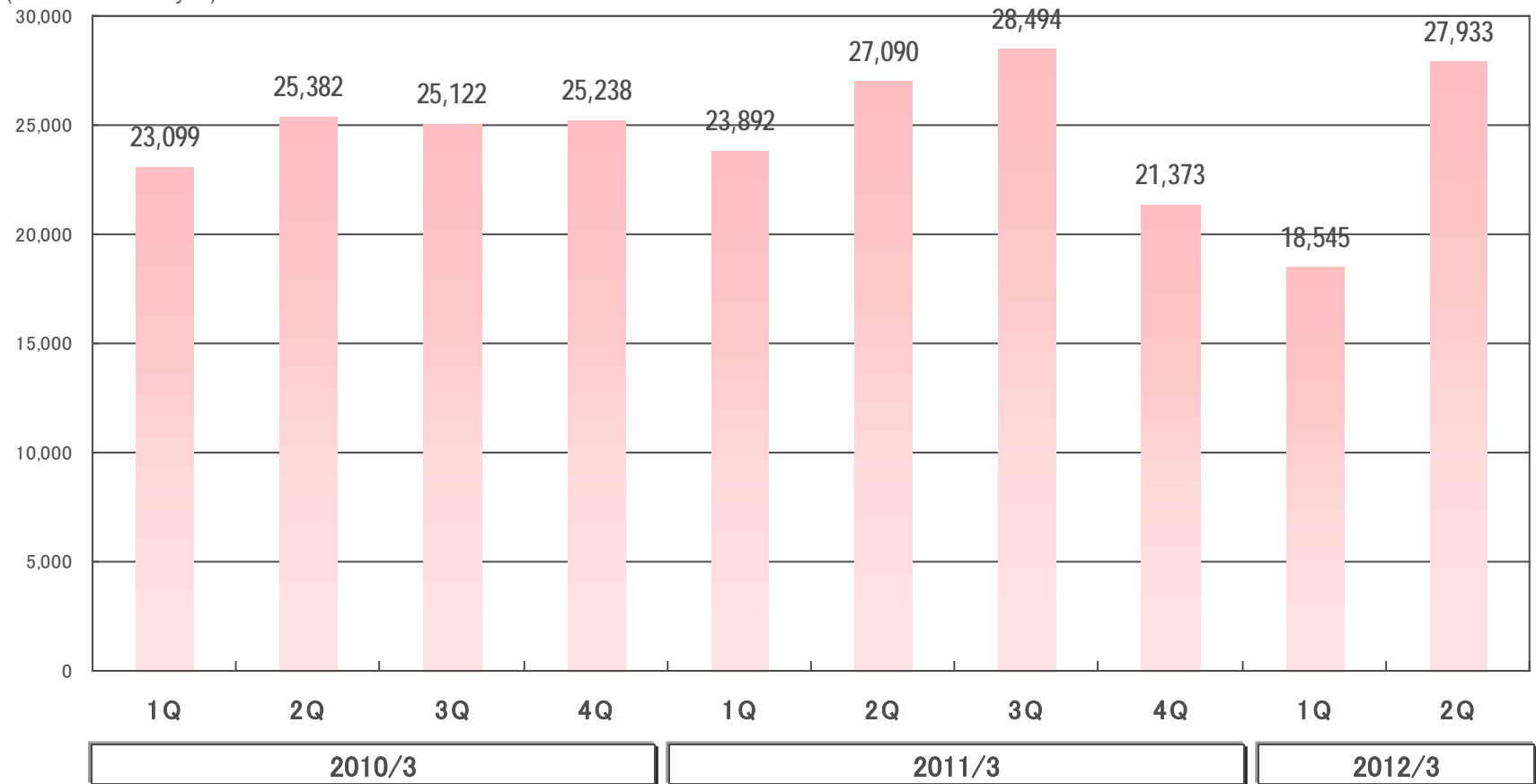
* Ministry of Land, Infrastructure, Transport and Tourism Monthly Economic Construction Statistics, Building Starts

3. Changes in Net Sales by Quarter (Consolidated)

2Q results increased quickly after the end of May when orders/production of major products was possible again. “New CLEANLADY” made a large contribution.

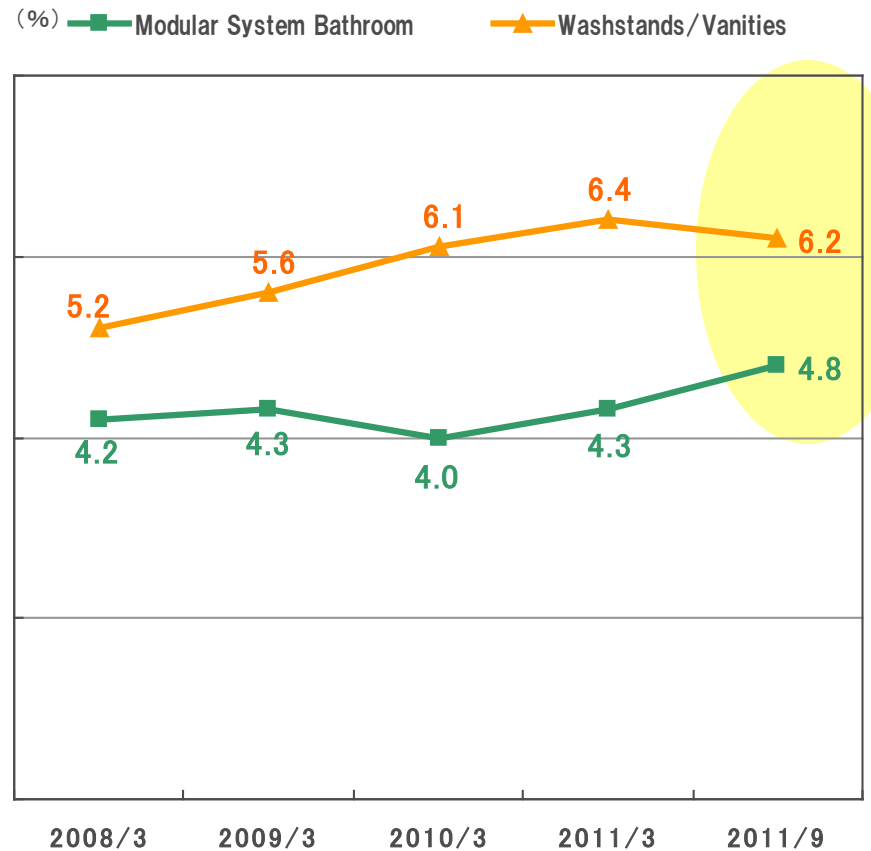
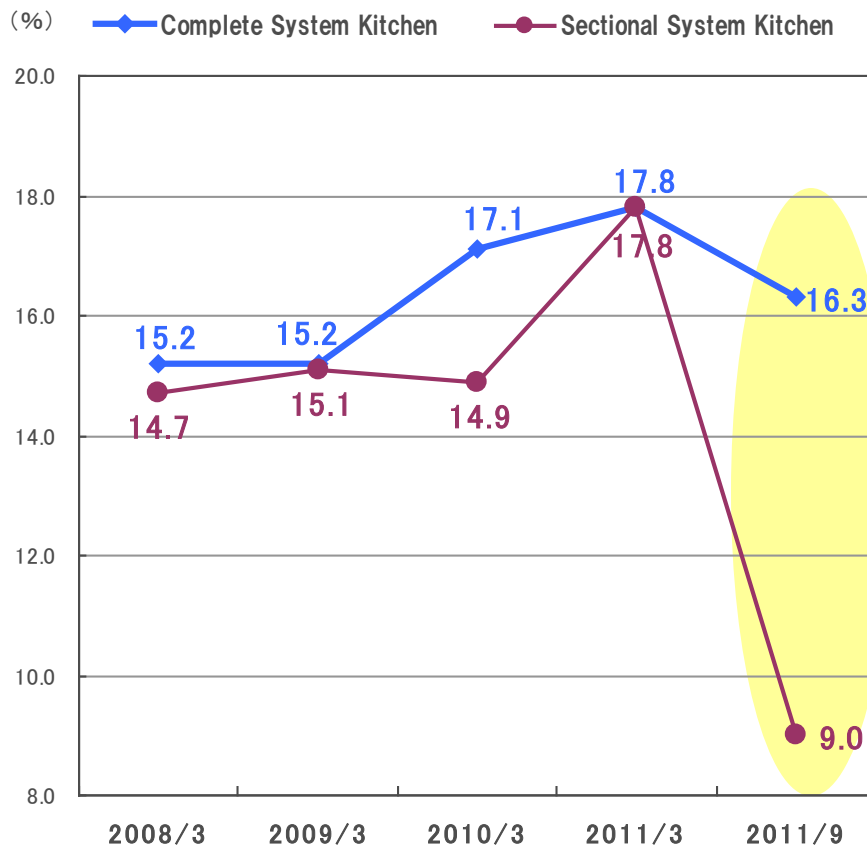
■ Consolidated Net Sales

(Units: millions of yen)



Improved market share for system bathrooms

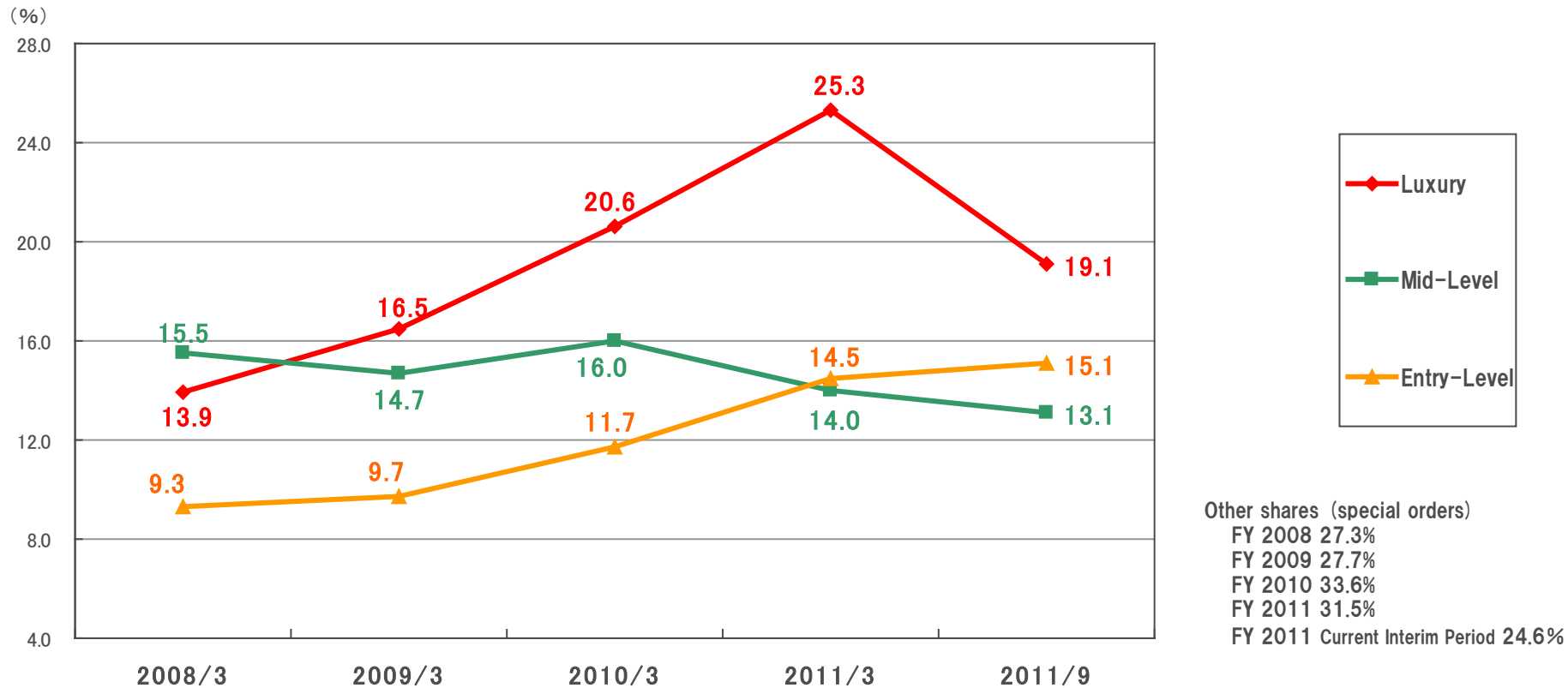
Change in industry market share for each division



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

Improved market share for popular system kitchen

Changes in System Kitchen Market Share



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

【Business Conditions up to Previous Term】

【Industry Position】

Cleanup's reputation and market share continue to grow

【Lineup and Business System】

Promoting the creation of products and services from the consumer's point of view

【Profit Structure】

Established profit structure after returning to profitability in FY 2010

We completed disaster recovery in the first half and will press forward with “management from the consumer's point of view” in the second half.

Basic Management Policy

Strengthen and improve management to establish The Kitchen Company

Strengthen and improve management to establish The Kitchen Company



Realization of "The Kitchen Company"

Stainless ECO Cabinets are a new era in kitchens

New CLEANLADY

Released June 1, 2011



■ ステンレスの特徴

サビにくい	水に強い	熱に強い
ニオイが つきにくい	カビが繁殖 しにくい	環境に やさしい



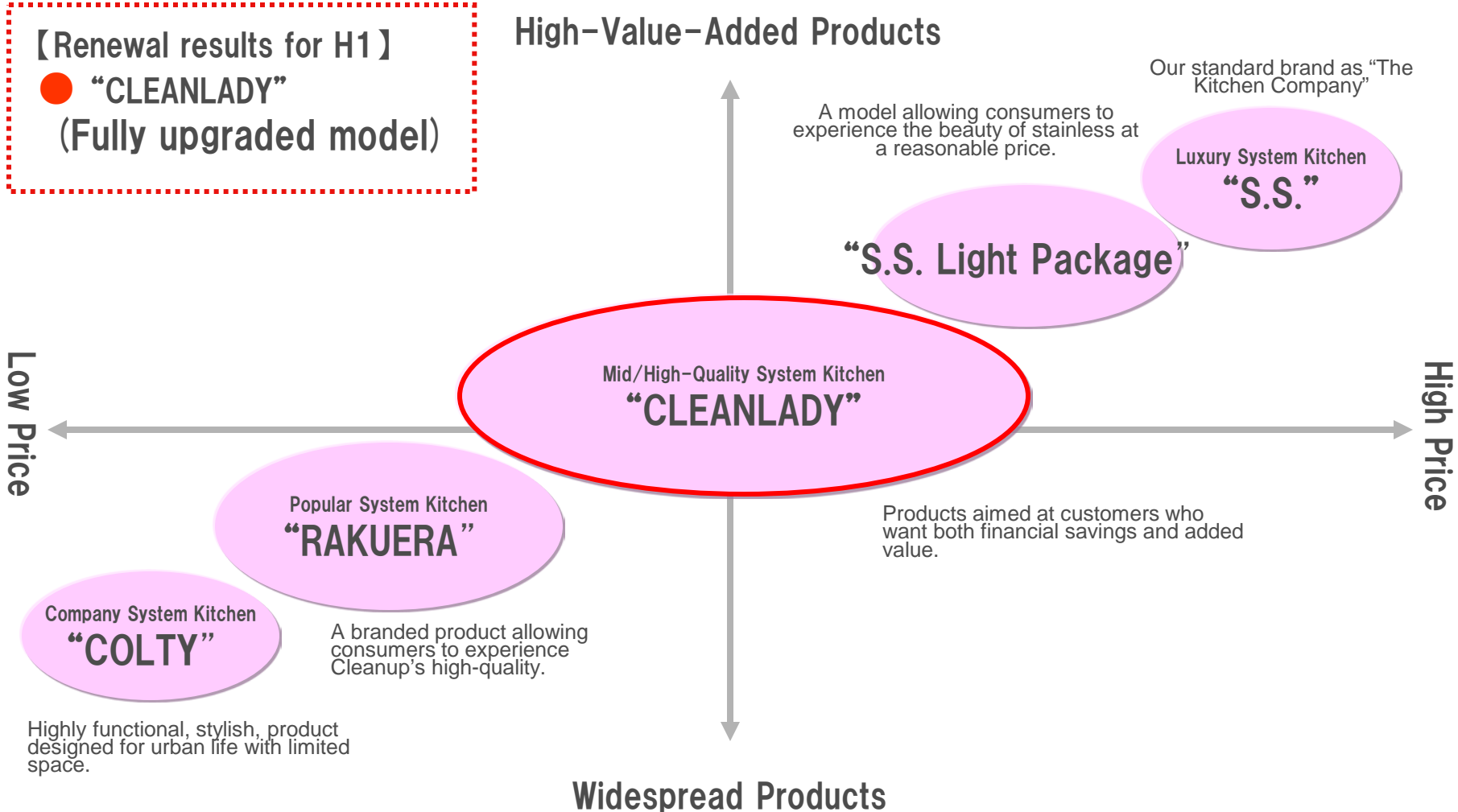
清潔
長寿命
ECO

7 points that keep things clean!

- ① “Stainless ECO Cabinets”
- ② Scratch-resistant “Stainless Worktop”
- ③ Easy to maintain, scratch-resistant “Silent Sink”
- ④ Incredibly easy to maintain stainless range hood (+ Auto-cleaning “Clean Air Range Hood”)
- ⑤ Always beautiful, easy to maintain “Stainless Doors”
- ⑥ Easy to maintain “Stainless Drawer Base Plate”
- ⑦ Hygienic stainless “Auto-move System”



A full product lineup as "The Kitchen Company"



【Renewal results for H1】
 ● "CLEANLADY"
 (Fully upgraded model)

▪ Strengthen renovation strategy

- Expand “Water Section Workshops” member stores to 2,600 store system
- Hold 1,082 renovation fairs across Japan
- Strengthen collaboration with major renovation channels
 - Condominium renovations
 - Home/energy/volume appliance/DIY-retailers, etc.



▪ 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

Attract and keep end users

“Food and Living” Cultural Communications ①

Dreamia Club

Published Japan’s first “salonese” white paper titled “Do you want to be a salonese?”

- Cleanup manages the membership organization
- We have developed many food-related events such as Dreamia Salon, a community for salonese who host cooking parties at their homes.



Web Communications

“User Support” page created

We want to help our customers continue to smile



“Food and Living” Cultural Communications ②

“Cooking Academy to Create Smiles from the Kitchen” held again this year (Annual since 2009)



- 26 participants were selected by lottery out of over 200 people who expressed interest.
- With the help of Seitoku University, classes began at Seitoku University Open Academy starting on October 7 (and will continue once a month until March 16, 2012 for 6 total classes)
- Classes include food-related lectures and hands-on practice from a variety of different angles such as local cuisine, aesthetics, science, health, safety, and dietary education.

Cleanup Special Subsidiary “Cleanup Heartful Corporation”

Launch of web site created by people with disabilities



【Outline of Cleanup Heartful Corporation】

30 employees, of whom 24 are disabled persons.

Employees with impairment of the upper or lower extremities, hearing impairment, mental retardation, visual impairment, and mental illnesses perform payroll accounting, data input, kitchen layout creation (CAD), and the cleaning of Cleanup’s headquarters and public parks.

The goal of Cleanup Heartful is to create a company that enables workers with disabilities to be self-sufficient and allows the physically unimpaired and the disabled to coexist.



【About the Special Subsidiary System】

Hiring based on the Employment Promotion Act for People with Disabilities is in principal the responsibility of individual business owners.

Business owners can set up a subsidiary that gives special consideration to disabled individuals, and if certain conditions are met, the workers hired specially by the subsidiary can be regarded as being hired by the parent company and calculated in the company’s employment rate

【In the past】

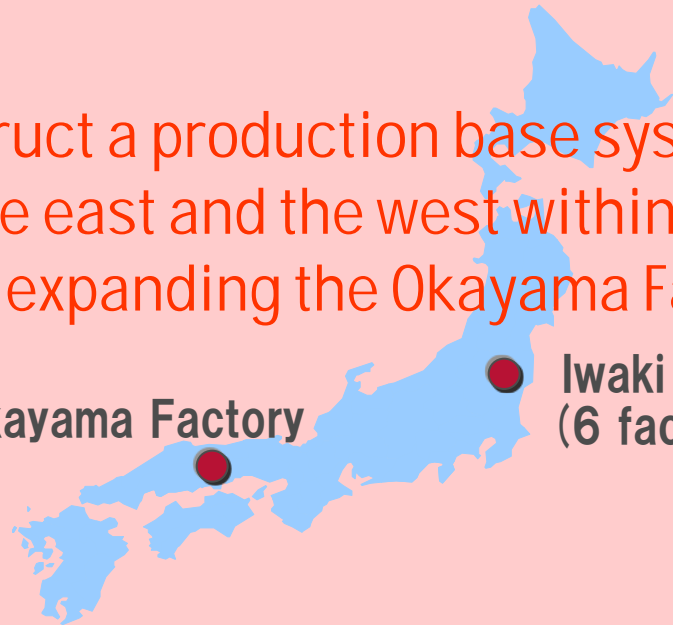
The production system overemphasized the Iwaki Business Office

Taking into account the experience with the disaster, we will quickly improve the over concentrated production system

We will construct a production base system that is balanced between the east and the west within a 3-year target by expanding the Okayama Factory.

Okayama Factory

Iwaki Business Office
(6 factories)



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

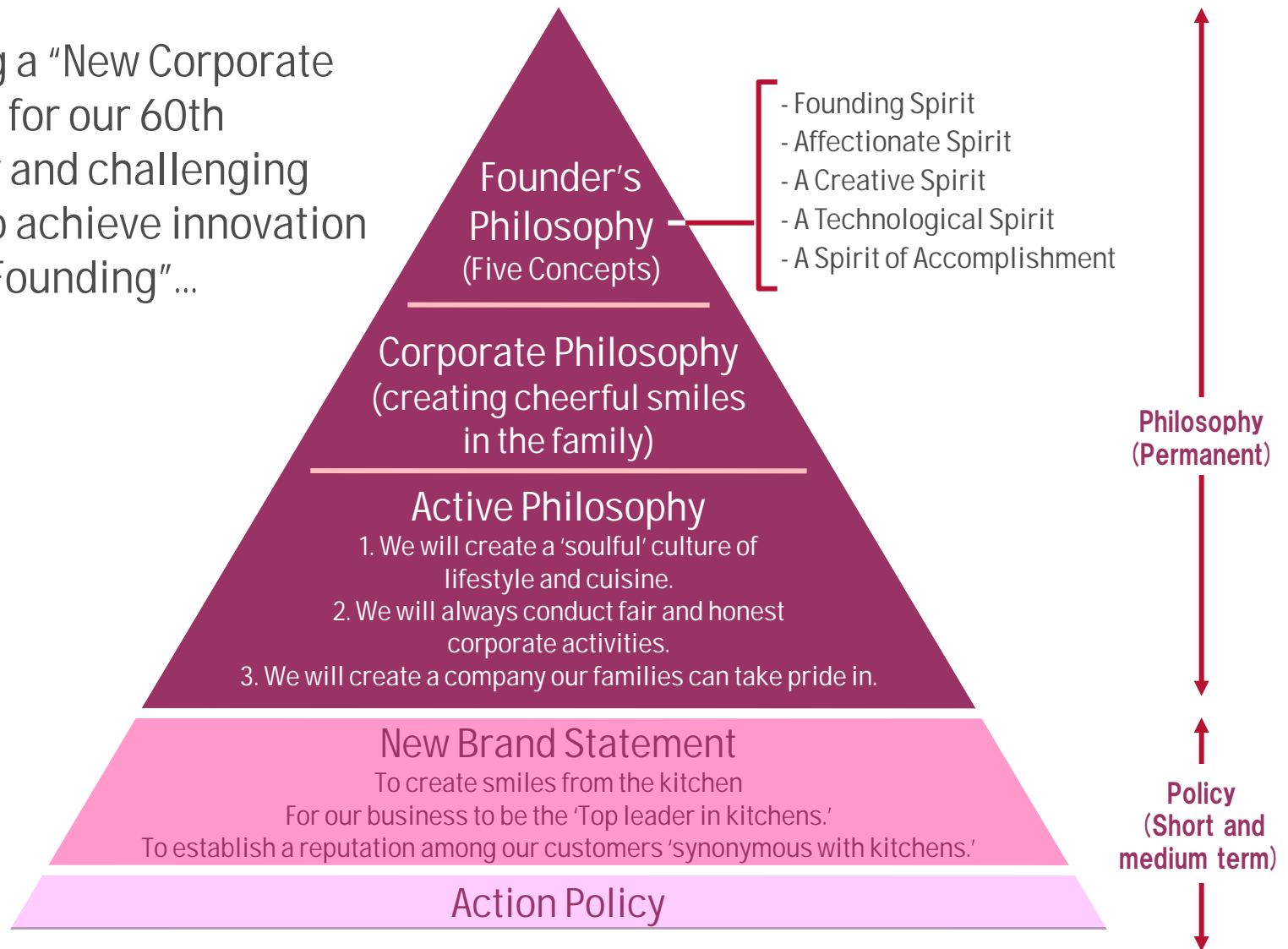
3R Efforts

- 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

Establishing a "New Corporate Philosophy" for our 60th anniversary and challenging ourselves to achieve innovation in our "2nd Founding"...



For any questions concerning investor relations,
please contact:

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Cleanup Corporation

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Disclaimer

This material is intended to provide information regarding FY2011 Interim Results (April 2011 ~September 2011) 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 14, 2011. 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.