

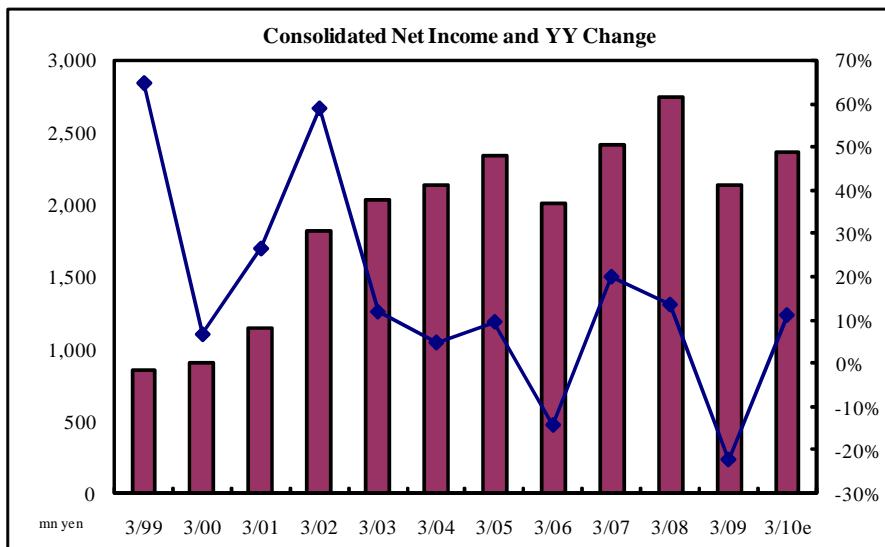
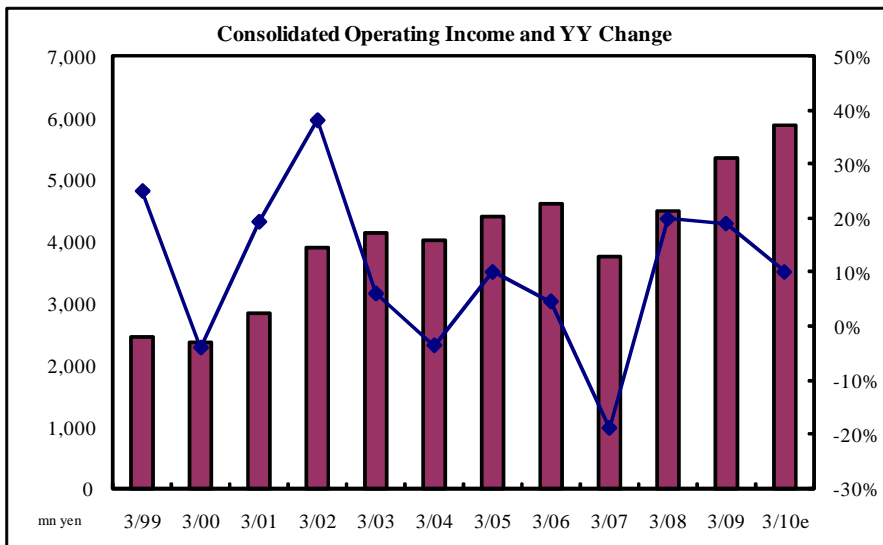
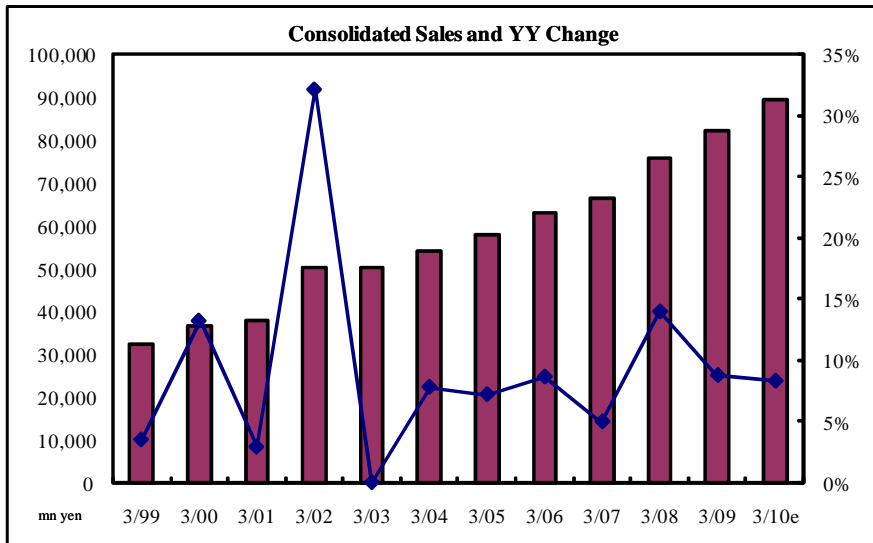


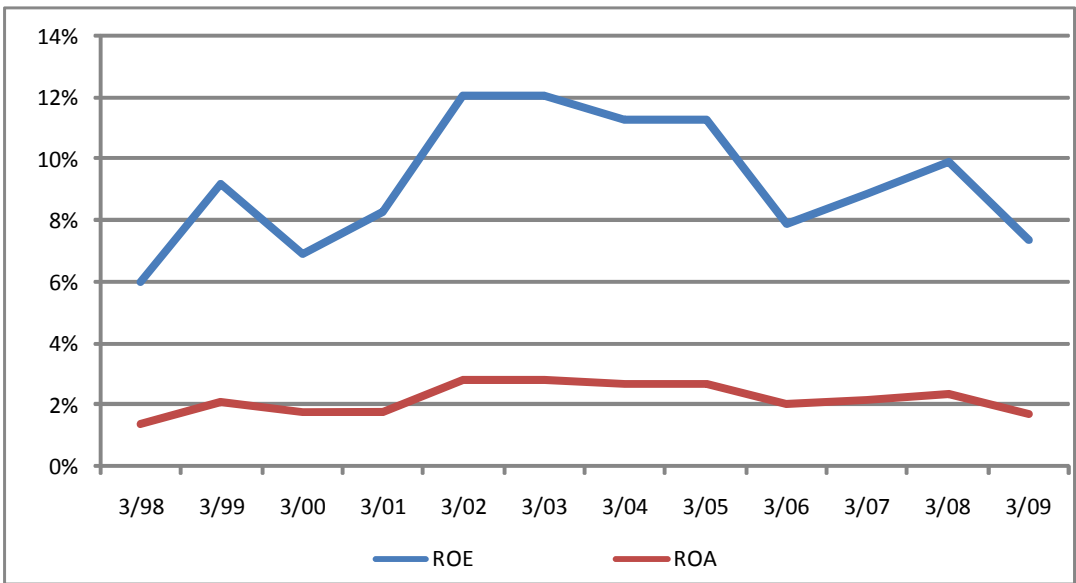
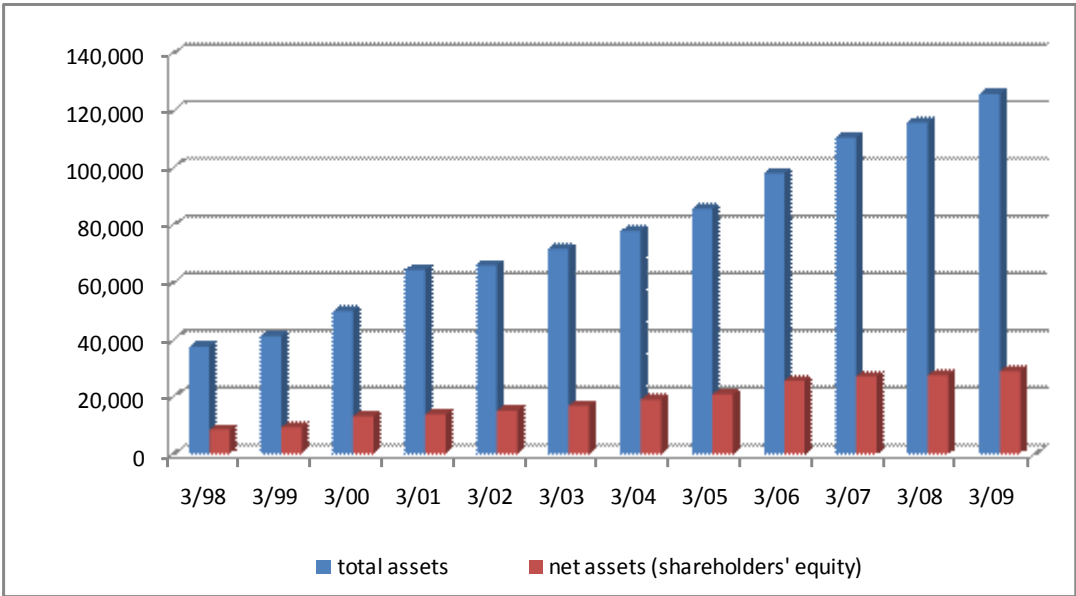
Kyoritsu Maintenance Co., Ltd.
(Securities Code: 9616)

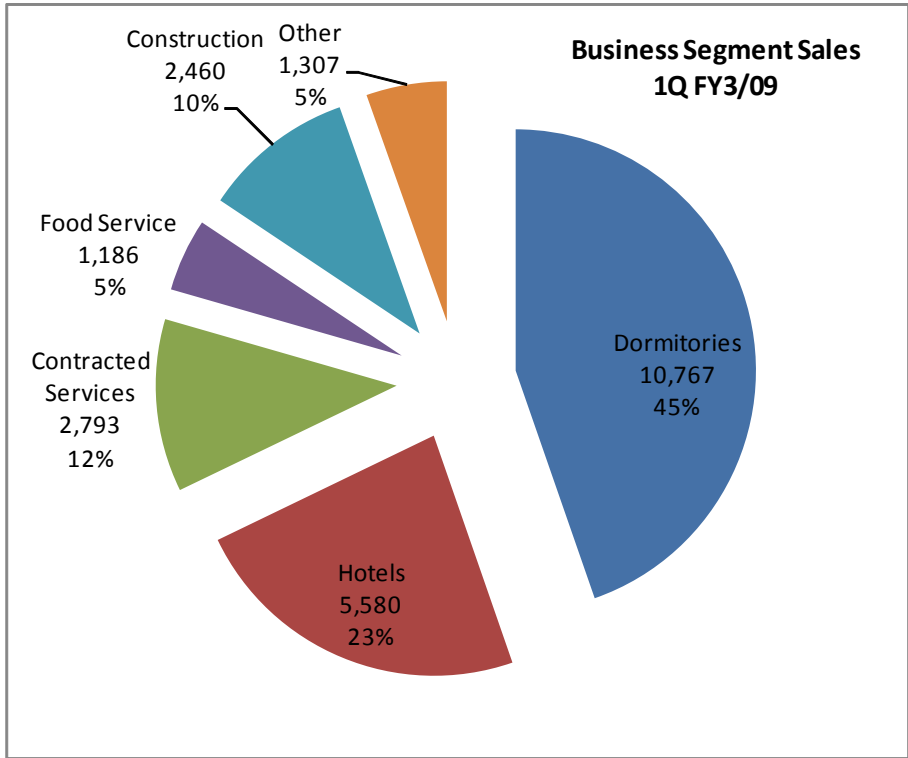
**1st Quarter of Fiscal Year March 2010
Consolidated Earnings Results Update**

August 2009

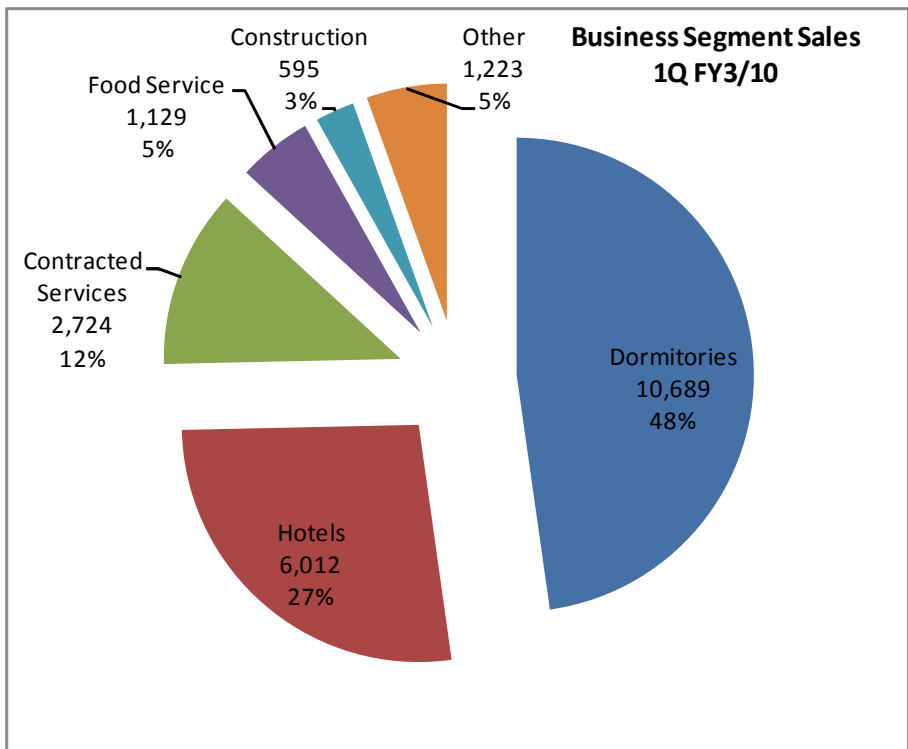
Kyoritsu Maintenance Consolidated Financial Data at a Glance







(Units: Million Yen)



(Units: Million Yen)

Consolidated Income Statement	3/99	3/00	3/01	3/02	3/03	3/04	3/05	3/06	3/07	3/08	3/09	*	1Q3/09	1Q3/10	
net sales	32,458	36,788	37,884	50,065	50,109	54,081	58,014	63,085	66,287	75,606	82,303	*	20,994	20,000	
gross income	6,578	7,173	7,834	10,221	10,785	10,541	10,894	11,783	12,242	14,183	15,507	*	4,318	4,011	
operating income	2,465	2,369	2,828	3,908	4,149	4,004	4,407	4,611	3,745	4,492	5,349	*	1,688	1,310	
ordinary income	2,203	2,281	2,643	3,580	3,885	4,060	4,411	4,824	3,787	4,167	4,510	*	1,508	1,010	
net income	850	907	1,147	1,822	2,039	2,138	2,343	2,011	2,413	2,740	2,133	*	705	357	
Consolidated Balance Sheet															
current assets	15,336	19,900	23,793	18,100	22,138	22,122	23,254	23,350	24,901	19,967	21,852	*	21,852	20,482	
fixed assets	25,695	29,867	40,478	47,768	49,497	55,715	62,336	74,681	85,562	95,728	103,891	*	103,891	105,082	
total assets	41,144	49,880	64,327	65,867	71,647	77,865	85,620	98,047	110,507	115,738	125,793	*	125,793	125,687	
current liabilities	20,921	19,731	28,513	27,031	31,610	29,374	31,585	44,039	37,342	44,119	41,615	*	41,615	40,996	
fixed liabilities	10,946	16,977	22,064	23,761	23,146	29,433	33,077	28,316	46,068	44,079	55,266	*	55,266	55,457	
total liabilities	31,866	36,707	50,577	50,792	54,755	58,806	64,663	72,355	83,411	88,199	96,882	*	96,882	96,453	
net assets (shareholders' equity)	9,278	13,169	13,747	15,073	16,824	18,935	20,788	25,512	27,096	27,538	28,911	*	28,911	29,233	
yy change															
net sales	3.6%	13.3%	3.0%	32.2%	0.1%	7.9%	7.3%	8.7%	5.1%	14.1%	8.9%	*	na	-4.7%	
gross income	6.3%	9.0%	9.2%	30.5%	5.5%	-2.3%	3.3%	8.2%	3.9%	15.9%	9.3%	*	na	-7.1%	
operating income	25.1%	-3.9%	19.4%	38.2%	6.1%	-3.5%	10.1%	4.6%	-18.8%	19.9%	19.1%	*	na	-22.4%	
ordinary income	18.2%	3.5%	15.9%	35.4%	8.5%	4.5%	8.6%	9.4%	-21.5%	10.0%	8.2%	*	na	-33.1%	
net income	64.6%	6.7%	26.5%	58.8%	11.9%	4.8%	9.6%	-14.2%	20.0%	13.6%	-22.2%	*	na	-49.3%	
margins															
gross margins	20.3%	19.5%	20.7%	20.4%	21.5%	19.5%	18.8%	18.7%	18.5%	18.8%	18.8%	*	20.6%	20.1%	
operating margins	7.6%	6.4%	7.5%	7.8%	8.3%	7.4%	7.6%	7.3%	5.6%	5.9%	6.5%	*	8.0%	6.6%	
ordinary margins	6.8%	6.2%	7.0%	7.2%	7.8%	7.5%	7.6%	7.6%	5.7%	5.5%	5.5%	*	7.2%	5.1%	
net margins	2.6%	2.5%	3.0%	3.6%	4.1%	4.0%	4.0%	3.2%	3.6%	3.6%	2.6%	*	3.4%	1.8%	
other benchmarks															
ROE	9.2%	6.9%	8.3%	12.1%	12.1%	11.3%	11.3%	7.9%	8.9%	9.9%	7.4%	*	na	na	
ROA	2.1%	1.8%	1.8%	2.8%	2.8%	2.7%	2.7%	2.1%	2.2%	2.4%	1.7%	*	na	na	
equity ratio	22.6%	26.4%	21.4%	22.9%	23.5%	24.3%	24.3%	26.0%	24.5%	23.8%	23.0%	*	23.7%	23.1%	
Units: million yen															

1st Quarter of Fiscal Year March 2010 Earnings Announcement

August 7, 2009
Tokyo Stock Exchange

Company Name: Kyoritsu Maintenance Co., Ltd.
 Stock Code: 9616 URL: <http://www.kyoritsugroup.co.jp/>
 Director: Mitsutaka Sato, President
 Contact: Takumi Ueda, Vice President Tel: +81-3-5295-7778
 Earnings Announcement Filing Date (anticipated): August 14, 2009
 Dividend Payment Date (anticipated): --

(All figures of less than one million yen are rounded down to the nearest digit)

1. 1st Quarter of Fiscal Year March 2010 Consolidated Earnings (From April 1, 2009 to June 30, 2009)

(1) Consolidated Earnings

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Million yen	% yy	Million yen	% yy	Million yen	% yy	Million yen	% yy
1Q-FY3/10	20,000	-4.7	1,310	-22.4	1,010	-33.1	357	-49.3
1Q-FY3/09	20,994	--	1,688	--	1,508	--	705	--

	EPS	Fully Diluted EPS
	Yen	Yen
1Q-FY3/10	24.90	19.87
1Q-FY3/09	49.07	39.16

(2) Consolidated Financial Position

	Total Assets	Net Assets	Net Asset Ratio	Book Value per Share
	Million yen	Million yen	%	Yen
1Q-FY3/10	125,687	29,233	23.1	2,017.84
1Q-FY3/09	125,793	28,911	22.8	1,995.59

2. Dividend Conditions

Registry Date	Dividends per Share				
	End 1Q	End 2Q	End 3Q	End Year	Full Year
	Yen	Yen	Yen	Yen	Yen
FY3/09		19.00		19.00	38.00
FY3/10					
FY3/10 (Projected)		19.00		19.00	38.00

3. Fiscal Year March 2010 Consolidated Earnings Projection (April 1, 2009 to March 31, 2010)

	Net Sales		Operating Income		Ordinary Income		Net Income		EPS
	Million Yen	%yy	Million Yen	%yy	Million Yen	%yy	Million Yen	%yy	Yen
First Half	43,650	3.9	3,490	0.5	2,820	-9.4	1,470	0.3	102.32
Full Year	89,210	8.4	5,890	10.1	4,690	4.0	2,370	11.1	164.97

- Revisions to our earnings projections during the first quarter: None

4. Others

- (1) Important changes in our subsidiaries, including changes to the scope of our consolidation: Yes
Added: 0; Removed: 1, MB Mouton Property, Ltd.
- (2) Application of simple accounting procedures and other special accounting procedures in the creation of our quarterly consolidated financial statements: Yes
- (3) Changes in the accounting methods, procedures, display methods used in the creation of our consolidated financial statements during the most recent quarter:
 - ① Changes accompanying revisions in accounting standards: Yes
 - ② Other changes: None
- (4) Shares issued (Common stock)
 - ① Shares issued as of term end (including treasury stock): 15,125,582 at end 1Q FY3/10, 15,125,582 at end FY3/09
 - ② Treasury stock as of term end: 759,515 at end 1Q FY3/10, 758,951 at end FY3/09
 - ③ Average shares issued during term: 14,366,335 at end 1Q FY3/10, 14,367,636 at end 1Q FY3/09

- Notes and explanations regarding the appropriate uses of our earnings projections

All projections provided within this document are based on the most accurate information available at the time of this writing. However our actual results may differ from our projections due to various unforeseen reasons.

Information Regarding Our Financial Statements

1. Information Regarding Our Consolidated Earnings

During the first quarter of the current fiscal year, despite signs of improvement in parts of the Japanese economy with adjustments in inventories having been completed, the outlook for the overall economy remain severe as the employment conditions worsened and personal consumption weakened.

The Kyoritsu Maintenance Group noted that there has been a shift in the seasonality of our earnings, where we traditionally saw a larger portion of sales being booked during April and in the first quarter due to the start of the fiscal year and subsequent increase in tenant contracts. This year we saw a concentration of tenant contracts occurring a month early in March. Furthermore the first quarter tends to be a weak period in our hotel (resort hotel) business due to the seasonal trend where peak resort season occurs during the months of July to September. Against this backdrop we recorded a 993 million yen or 4.7% year-over-year decline in sales to 20 billion yen. Also new hotel opening costs caused our operating income to drop by 22.4% year-over-year to 1.31 billion yen, and ordinary income fell by 33.1% year-over-year to 1.01 billion yen due to costs arising from capital procurement. These figures are in line with our projections and we therefore have not revised our earnings projections. Furthermore we recorded a 49.3% year-over-year decline in net income to 357 million yen due in large part to the realization of evaluation losses on our marketable securities holdings.

We discuss our business performance in each of our business segments below.

Dormitory Business

In our dormitory business, we saw continued high occupancy rates on the back of strong demand from students at new universities with which we formed alliances. However the early appearance in March of new tenant contracts, which normally occur in April, led to year-over-year declines in sales and profits. Furthermore with regards to corporate dormitories and facilities, we saw a decline in monthly contracts due to weaker than expected demand for training facilities arising from the recent worsening of corporate earnings. Consequently we recorded a decline in contracts of 188 tenants year-over-year to 27,672 as of the end of June 2009, and our sales and operating income fell by 0.7% and 12.8% year-over-year to 10.689 billion yen, and 1.986 billion yen respectively.

Hotel Business

In our hotel business, the six hotels we opened in the previous fiscal year combined with four new facilities opened in the current term to raise our sales. With regards to profitability, our strict cost management of each facility contributed to improvements in costs on a per facility basis, but we saw a rise in total costs due to three

newly opened Dormy Inn (Business hotels) and one resort hotel (Resort hotels). Consequently our sales rose by 7.7% year-over-year to 6,012 million yen, but we incurred an operating loss of 543 million yen.

Contracted Services Business

Despite efforts to promote strict cost controls, particularly in our office segment business, demands from clients to cut prices and revise service agreements outpaced our abilities to reduce costs. Therefore we recorded declines in both sales and operating income of 2.5% and 27.0% year-over-year to 2,724 and 75 million yen respectively.

Food Service Business

In response to the difficult operating environment in our food service business due to stagnant personal consumption, we continued our efforts to control and reduce our variable costs, and restructure our earnings structure. Despite our efforts, we saw a 4.8% year-over-year decline in sales to 1,129 million yen and an operating loss of 300 million yen.

Construction Business

The operating environment in our construction business remained severe during the term under review due to declines in real estate prices and despite reductions in building material costs. Against this backdrop, we focused upon reducing construction costs of dormitories and hotels. However despite our efforts, we saw a 75.8% year-over-year decline in sales to 595 million yen, while we recorded a 100 million yen operating profit.

Other Business

Our other business is comprised of the wellness life (management of senior citizen housing), life service (catalog and rental sales, insurance agency business), advertising agency, rental property brokerage and management, comprehensive human resources, and financing services. In this segment we saw sales and operating income declines of 6.4% and 19.2% year-over-year to 1,223 and 83 million yen respectively.

2. Information Regarding Our Consolidated Financial Position

At the end of the first quarter of the current fiscal year, our total consolidated assets fell by 106 million yen from the end of the previous fiscal year to 125,687 million yen. The main reason for this decline was a decrease in cash and equivalents account.

Total consolidated liabilities at the end of the first quarter also fell by 428 million yen from the end of the previous fiscal year to 96,453 million yen. We attribute this decline primarily to a decline in prepayments.

Net assets as of the end of the first quarter of the current fiscal year grew by 321 million yen from the end of the last fiscal year to 29,233 million yen. An increase in retained earnings was the main factor contributing to the rise in net assets.

Consequently our equity ratio rose by 0.3% points from the end of the previous year to 23.1% as of the end of the first quarter.

(Cash Flow Conditions)

During the first quarter of the current fiscal year our cash and equivalents fell by 2,290 million yen from the end of the previous fiscal year to 8,641 million yen.

In our operating activities we saw a net cash outflow increase by 1,757 million yen year-over-year to 3,842 million yen. We attribute this higher outflow to acquisitions of inventories in our construction business, and to decline in prepayments in our dormitory business.

In our investing activities we saw a net outflow of 1,625 million yen, a decrease of 1,553 million yen from the net outflow seen during the same period of the previous year. We attribute this outflow primarily to the acquisition tangible fixed assets in our dormitory and hotel businesses.

In our financing activities we saw a net inflow of 3,177 million yen, a decline of 3,422 million yen from the net inflow in the same period of the previous fiscal year. The main factor behind this inflow was the issuance of bonds.

3. Information Regarding Our Consolidated Earnings Projections

With regards to our consolidated earnings projections for the fiscal year to March 2010, we maintain our outstanding projections which were originally announced on May 15, 2009.

4. Others

(1) Changes in material subsidiaries during the period (Changes in consolidation scope resulting from changes in consolidated subsidiaries)

We have removed MB Mouton Property Ltd. from the scope of our consolidation.

(2) Application of simplified accounting methodologies and/or quarterly financial reporting standards in the preparation of quarterly financial statements:

(1) Simplified accounting methodologies

1) Inventories valuation methodology

A partial physical inventory, comprised of material items and sampling, was utilized for the valuation of inventories at the current quarter end. We have reduced the valuations for inventories where we have clear evidence that carrying value exceeds estimated net realizable value.

2) Deferred tax asset and liability calculation

Deferred tax asset recoverability assessment in the current quarter is based on the prior fiscal year's business outlook, tax planning strategies and other factors if it is determined there has been no significant changes to the overall business environment since the end of the prior fiscal year.

(2) Quarterly financial reporting standards in the preparation of quarterly financial statements

Provision for taxes

The provision for taxes is based upon applying the estimated effective tax rate for the current fiscal year, including the current quarter, to income before income taxes. Adjustments to income taxes are included in the provision for taxes.

(3) Changes in accounting principles, policies, procedures, and classification in the preparation of quarterly consolidated financial statements

Change in accounting principle for construction projects-in-progress and cost of construction

We previously utilized the percentage of completion method for long-term large construction projects, with an estimated construction period of more than two years and contracted amounts greater than two billion yen, and the completed contract method for all others. For construction contracts entered into from the first quarter of the current fiscal year, we have commenced application of Accounting Standards Board of Japan's Statement No. 15, "Accounting Standard for Construction Contracts" and Guidance No. 18, "Guidance on Accounting Standard for Construction Contracts" issued on December 27, 2007. Statement No. 15 and Guidance No. 18 requires us to utilize the percentage-of-completion method if the total contract revenue, total contract costs, and percentage of completion, at the end of the reporting period, can be reliably estimated, and the completed-contract method for all others. This change in accounting principle had no impact on the Consolidated Statement of Income in the first quarter of the current fiscal year.

1. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheet

(Units: Million Yen)

	End 1Q FY3/10 (June 30, 2009)	End FY3/09 (March 31, 2009)
Assets		
Current assets		
Cash and deposits	9,774	12,065
Notes, accounts receivable	2,668	2,896
Real estate for sale	2,003	424
Uncompleted construction payment	1,495	982
Other	4,578	5,530
Doubtful account reserves	-39	-44
Total current assets	20,482	21,852
Fixed assets		
Tangible fixed assets		
Buildings, structures	31,068	27,869
Land	25,923	25,896
Others	16,603	20,024
Total tangible fixed assets	73,596	73,790
Intangible fixed assets		
Others	3,705	2,921
Total intangible fixed assets	3,705	2,921
Investment, other assets		
Investment securities	6,519	6,440
Guaranteed deposits	7,536	7,370
Security deposits	7,373	6,986
Others	6,507	6,535
Doubtful accounts reserves	-155	-154
Total investments, other assets	27,780	27,179
Total fixed assets	105,082	103,891
Deferred assets	123	49
Total assets	125,687	125,793

(Units: Million Yen)

	End 1Q FY3/10 (June 30, 2009)	End FY3/09 (March 31, 2009)
Liabilities		
Current liabilities		
Notes, accounts payable	1,961	3,028
Short term debt	20,501	17,497
Unpaid taxes	513	530
Deposits	9,577	11,675
Bonus reserves	242	910
Director bonus reserves	40	199
Completed construction guarantee reserves	11	12
Construction work loss reserves	4	4
Others	8,143	7,758
Total current liabilities	40,996	41,615
Fixed liabilities		
Bonds	16,600	14,400
Long term debt	31,218	33,055
Retirement benefit reserves	1,183	1,168
Director retirement reserves	343	370
Others	6,111	6,272
Total fixed liabilities	55,457	55,266
Total liabilities	96,453	96,882
Net assets		
Shareholders' equity		
Capital	5,136	5,136
Capital reserves	5,943	5,943
Retained earnings	20,080	19,995
Treasury stock	-1,469	-1,468
Total shareholders' equity	29,691	29,607
Valuation, translation gains		
Other marketable security valuation gains	-702	-937
Total valuation, translation gains	-702	-937
Minority holdings	245	241
Total net assets	29,233	28,911
Total liabilities, net assets	125,687	125,793

(2) Quarterly Consolidated Income Statement
(First Quarter Consolidated Income Statement)

(Units: Million Yen)

	1Q FY3/09 (From April 1, 2008 to June 30, 2008)	1Q FY3/10 (From April 1, 2009 to June 30, 2009)
Net sales	20,994	20,000
CGS	16,675	15,989
Gross income	4,318	4,011
SG&A	2,629	2,700
Operating income	1,688	1,310
Non-operating income		
Interest income	24	23
Dividend income	19	15
Deposit redemption income	22	22
Others	45	27
Total non-operating income	112	88
Non-operating expense		
Interest payment	210	283
Other	82	105
Total non-operating expense	292	389
Ordinary income	1,508	1,010
Extraordinary income		
Marketable securities sales profit	—	5
Insurance policy refunds	—	10
Income adjustment from previous term	7	—
Others	1	3
Total extraordinary income	9	19
Extraordinary loss		
Marketable securities valuation loss	7	236
Inventory valuation loss	24	—
Other	—	0
Total extraordinary loss	32	237
Net income before taxes	1,486	792
Corporate and other taxes	737	419
Minority shareholding income	44	14
Net income	705	357

(3) Quarterly Consolidated Cash Flow Statement

(Units: Million Yen)

	1Q FY3/09 (From April 1, 2008 to June 30, 2008)	1Q FY3/10 (From April 1, 2009 to June 30, 2009)
Cash flows from operating activities		
Net income before taxes other adjustments	1,486	792
Depreciation, amortization	855	936
Change in bonus reserves	-723	-667
Change in director bonus reserves	-129	-158
Interest, dividends received	-44	-39
Interest payment	210	283
Valuation gains in marketable securities	—	236
Change in receivables	551	227
Change in accounts due	540	656
Change in inventories	—	-1,995
Change in payables	-1,222	-1,320
Change in unpaid accounts	1,525	1,154
Change in prepayments received	-2,882	-2,106
Change in unpaid consumption tax	—	-432
Change in deposits	-895	-939
Change in security deposits	—	-103
Others	-139	419
Subtotal	-867	-3,055
Interest, dividends received	49	33
Interest payments	-205	-264
Corporate, tax returns	5	—
Corporate tax	-1,065	-556
Cash flows from operating activities	-2,084	-3,842
Cash flows from investing activities		
Acquisition of marketable securities	-203	—
Acquisition of tangible fixed assets	-2,545	-990
Acquisition of intangible fixed assets	—	-626
Recovery of loans extended	—	257
Deposits, security deposits payments	-268	-641
Return of deposits, security deposits	—	593
Others	-161	-218
Cash flows from investing activities	-3,178	-1,625

(Units: Million Yen)

	1Q FY3/09 (From April 1, 2008 to June 30, 2008)	1Q FY3/10 (From April 1, 2009 to June 30, 2009)
Cash flows from financing activities		
Increase in short term debt	8,833	6,503
Repayment of long term debt	-1,456	-5,336
Bond issuance	—	2,422
Bond redemption payment	-460	-150
Treasury stock acquisition	—	-0
Dividend payment	-261	-249
Dividend payment to minority shareholders	-16	-11
Other	-39	—
Cash flows from financing activities	6,599	3,177
Translation gains for cash and equivalents	—	—
Net change in cash and equivalents	1,335	-2,290
Cash and equivalents at term start	8,061	10,931
Cash and equivalents at term end	9,397	8,641

(4) Assumptions Regarding Going Concern

Not applicable

(5) Segment Information

(Information Regarding Our Various Business Segments)

First Quarter of Fiscal Year March 2009 (From April 1, 2008 to June 30, 2008)

(Units: Million yen)

	Dormitories	Hotels	Contracted Services	Food Service	Construction	Other	Total	Company Wide	Consolidated
Sales									
(1) External sales	10,741	5,532	1,977	640	1,175	927	20,994	—	20,994
(2) Internal sales	25	48	816	545	1,285	380	3,101	(3,101)	—
Total	10,767	5,580	2,793	1,186	2,460	1,307	24,095	(3,101)	20,994
Operating income	2,277	-429	103	15	-39	103	2,031	(342)	1,688

- At the end of the first quarter we wrote down 28 million yen to construction work loss reserves due to the outlook for losses arising from construction projects on-hand.

First Quarter of Fiscal Year March 2010 (From April 1, 2009 to June 30, 2009)

(Units: Million yen)

	Dormitories	Hotels	Contracted Services	Food Service	Construction	Other	Total	Company Wide	Consolidated
Sales									
(1) External sales	10,657	5,969	1,826	515	245	786	20,000	—	20,000
(2) Internal sales	31	42	898	613	350	437	2,374	(2,374)	—
Total	10,689	6,012	2,724	1,129	595	1,223	22,375	(2,374)	20,000
Operating income	1,986	-543	75	-3	100	83	1,699	(388)	1,310

(Regional Sales Information)

During the first quarter of the previous fiscal year (From April 1, 2008 to June 30, 2008) and the first quarter of the current fiscal year (From April 1, 2009 to June 30, 2009)

We did not have any overseas subsidiaries or offices and therefore we do not report any regional sales information.

(Overseas Sales)

During the first quarter of the previous fiscal year (From April 1, 2008 to June 30, 2008) and the first quarter of the current fiscal year (From April 1, 2009 to June 30, 2009)

We did not have any overseas sales.

(6) Significant Changes in Our Shareholders Equity

We do not note any significant changes.