FamilyMart Milestones

The first FamilyMart convenience store opened its doors in Japan in 1973. By continuing to develop in step with society, FamilyMart has grown into a domestic chain of approximately 16,500 stores. However, we have not simply expanded our convenience store chain. With the aim of bringing convenience and richness to everyday life, we have steadily increased the sophistication of our operations throughout our history. As well as constantly improving products and services, we have evolved our corporate structure and enhanced the logistics supply chains and information infrastructures that support store operations.

### 1970s
- **September 1973**
  - Opening of the first FamilyMart store (in Sayama, Saitama Prefecture) by a new business segment of Seiyu Stores, Ltd.

### 1980s
- **April 1980**
  - Commencement of an online ordering system
- **February 1987**
  - Opening of the first FamilyMart store overseas (Taiwan)
- **January 1989**
  - Formulation of the “FamilyMart, Where You Are One of the Family” corporate message

### 1990s
- **February 1990**
  - Beginning of agency payment services for utility fees, etc.
- **February 1998**
  - Establishment of the ITOCHU Group as the Company’s largest shareholder
- **October 1999**
  - Launch of 4M services

### 2000s
- **December 2001**
  - Completion of the conversion of am/pm to the FamilyMart brand
- **July 2006**
  - Establishment of stores in all of Japan’s prefectures
- **October 2006**
  - Launch of FAMICHIKI
- **December 2009**
  - Conversion of am/pm Japan Co., Ltd., into a wholly owned subsidiary

### 2010s
- **January 2019**
  - Transfer of all shares of UNY CO., LTD., to PPIH

### Development into an integral part of the infrastructure of society and everyday life
- **1970s**
  - The early days of convenience stores
- **1980s**
  - Expansion of the store network
- **1990s**
  - Increase in store functions
- **2000s**
  - Establishment of information infrastructure
- **2010s**
  - Development into an integral part of the infrastructure of society and everyday life
FamilyMart’s Components

There is more to FamilyMart than meets the eye. Brick-and-mortar stores are only the most visible component of our operations. Store operations are made possible by an array of functions and personnel. Moreover, the shared values of those working in FamilyMart operations are indispensable. The aforementioned are all essential components of FamilyMart.

Brick-and-Mortar Stores

Through several brand integrations, we have strategically expanded our store network. In Japan, FamilyMart now has a network of roughly 16,500 stores, which have become an integral part of the infrastructure of society and everyday life.

Innovations in Store Operations

A distinctive advantage of convenience stores is that, as brick-and-mortar stores, they provide customer services in person. Such points of contact are the basis of our business model’s ability to identify customer needs and issues and innovate rapidly. (Please see page 26 for details.)

Store Functions Reflecting Society’s Needs

We develop and market products that match society’s current needs. Also, by installing ATMs and adding a range of other functions to stores, we have made them even more convenient and essential. (Please see page 24 for details.)

Upgrading of Supply Chains

FamilyMart optimizes distribution to ensure that stores have the products customers need when they need them. Further, we have established information infrastructure that we use in the development of products and services that match customer needs.

Products and Information Infrastructure

We are rationalizing supply chains from raw material procurement and product manufacturing through to distribution so that our stores are able to offer customers products with even more value. Furthermore, we are increasing the precision of stores’ ordering and inventory management through technological innovation. (Please see page 26 for details.)

Diverse Data from Brick-and-Mortar Stores

FamilyMart combines ordering and inventory data and data on customer purchases to predict demand and guide the development of products and services. Other initiatives include our use of digital technologies to make forays into new business fields. (Please see page 28 for details.)

Accumulation of Business Know-How

The roles of the head office are to gather and share know-how garnered through store operations and to support the growth of the entire store chain by creating new businesses. To ensure that we fulfill these roles, we are building new systems that encourage head office personnel to take maximum advantage of their talents.

Personnel and Knowledge

Past reorganizations of the Group have given it an employee mix comprising many different types of expertise and experience. Accordingly, we are establishing systems aimed at encouraging these diverse personnel to create synergies and innovate. (Please see page 30 for details.)

Diverse Personnel

In September 2019, FamilyMart revised its corporate message to clarify the values that will underpin the Company’s growth going forward.

Corporate Message

FamilyMart, Where You Are One of the Family

Mission

Our Three Values

1. FamilyMart is a network of small local stores. Each store lives with and owes its existence to the people who live in the neighborhood. We will work earnestly to become a store that is rooted closely and evolves as an integral part of the local community.

2. We will do our best to meet the needs of each customer who visits our stores. Our stores will provide what the customers want, furthermore, discovery of exciting and high quality products. By doing so, the stores will be a place where people will stop by anytime.

3. We will foster close ties with business partners like a family running a small local store. We want customers to feel part of the neighborhood family. We will continue innovating towards comfortable lifestyle which will contribute not only to convenience but also to the wellness of everyone. We will commit to the pursuit of happiness of the “Family.”
FamilyMart's Value Creation Model

In accordance with the “FamilyMart, Where You Are One of the Family” corporate message, we will increase our value as an integral part of the infrastructure of society and everyday life. FamilyMart will achieve this by addressing society’s needs and issues and by enhancing the value of its brick-and-mortar stores, products and information infrastructure, and personnel and knowledge.

Further, from the viewpoint of a business rooted in local communities, we will identify priority issues and implement ambitious initiatives to address them.

Important Operating Environment Factors

Changes in society
- Changes in demographics
- Changes in social structure
- Changes in consumer behavior

Social issues
- Social issues that affect revenue growth
- Social issues that should be addressed as a regionally rooted entity

Changes in the competitive environment
- Intensification of competition across industry boundaries
- Technological innovation or business model reform

FamilyMart's Components

Brick-and-Mortar Stores
- Innovations in store operations
- Store functions reflecting society’s needs

Products and Information Infrastructure
- Upgrading of supply chains
- Diverse data from brick-and-mortar stores

Personnel and Knowledge
- Accumulation of business know-how
- Diverse personnel

FamilyMart's Business Model

Increase the value of stores
- Increase the quality and efficiency of store operations
- Optimize the store network
- Enhance store functions
- Create high-value-added products and services

Maximize the value of infrastructure
- Upgrade supply chains
- Increase product value through structural reform in ready-to-eat items
- Leverage information acquired through stores
- Create new businesses that use information infrastructure

Maximize the value of personnel and knowledge
- Gather and share know-how on store operations
- strengthen relationships with franchised stores and local communities
- Secure and develop the next generation of personnel
- Create workplaces that enable diverse personnel to contribute

FamilyMart's Corporate Message

FamilyMart, Where You Are One of the Family

Corporate governance
- Internal control system
- Accountability (dialogue with stakeholders)

Foundations of Business Management

Responding to Society’s Issues: Tackling Material Issues

1. Environmental awareness
2. Contributing to the development of vibrant local communities as social and living infrastructure
3. Strengthening of supply chain management that delivers safe and reliable products
4. Responding to increasingly sophisticated and diverse consumer needs
5. Enhancing diversity

Contribution to the global targets

Increase value as an integral part of the infrastructure of society and everyday life

Bring convenience and richness to everyday life