

# Consolidated Financial Highlights

					Japanese GAAP				IFRS			Millions of yen	Thousands of U.S. dollars <sup>5)</sup>
	2009/2	2010/2	2011/2	2012/2	2013/2	2014/2	2015/2	2016/2	2016/2	2017/2	2018/2 <sup>3)</sup>	2019/2	2019/2
<b>RESULTS OF OPERATIONS:</b>													
Total operating revenues / Operating revenues	¥ 287,342	¥ 278,175	¥ 319,889	¥ 329,218	¥ 334,087	¥ 345,603	¥ 374,430	¥ 427,676	¥ 424,435	¥ 843,815	¥ 637,013	¥ 617,174	\$ 5,560,123
Operating profit / Core operating profit	36,532	33,530	38,223	42,586	43,107	43,310	40,417	48,734	50,281	55,670	41,671	51,553	464,440
Net income / Profit attributable to owners of parent	16,451	15,102	18,023	16,584	25,020	22,611	25,672	21,067	17,763	21,585	33,656	45,370	408,735
Capital expenditure	29,167	40,289	40,302	46,323	60,480	93,256	111,717	68,534	—	90,831	125,314	90,250	813,064
Depreciation	9,668	10,338	12,582	16,190	19,005	24,459	30,918	32,835	—	46,967	53,747	58,116	523,572
Net cash provided by (used in) operating activities	75,027	(6,574)	50,337	72,900	64,638	60,843	71,837	97,985	93,776	83,351	152,729	159,742	1,439,119
Net cash provided by (used in) investing activities	(28,216)	(36,152)	(25,798)	(20,746)	(46,236)	(64,377)	(53,674)	(61,566)	(62,756)	(30,657)	(49,502)	109,257	984,301
Net cash (used in) provided by financing activities	(7,030)	(8,341)	(13,976)	(14,188)	(16,088)	(21,054)	(21,375)	(17,394)	(16,824)	(4,916)	(37,875)	(156,234)	(1,407,510)
<b>FINANCIAL POSITION:</b>													
Total assets	398,125	424,209	436,034	472,822	526,758	588,136	666,244	730,295	728,976	1,667,074	1,731,787	1,372,117	1,236,419
Total equity	197,529	206,490	216,979	225,939	247,755	265,458	284,829	295,229	271,876	517,842	543,235	568,762	5,123,980
<b>PER SHARE OF COMMON STOCK (in yen and U.S. dollars):</b>													
Total equity* <sup>1</sup>	2,001.50	2,096.43	2,207.53	2,299.14	2,515.61	2,686.37	2,872.40	2,987.34	2,864.20	4,089.07	1,073.29	1,123.78	10.12
Basic net income (EPS)* <sup>1</sup>	172.59	158.47	189.74	174.70	263.57	238.19	270.45	221.94	187.13	195.07	66.45	89.64	0.81
Cash dividends applicable to the year	68.00	70.00	72.00	82.00	100.00	102.00	106.00	110.00	110.00	112.00	112.00	144.00	1.30
<b>RATIOS:</b>													
Equity ratio (%)	47.9	47.1	48.1	46.2	45.3	43.4	40.9	38.8	37.3	31.1	31.4	41.5	
ROE (return on equity) (%)	8.8	7.7	8.8	7.8	11.0	9.2	9.7	7.6	6.6	5.5	6.3	8.2	
ROA (return on total assets) (%)	4.4	3.7	4.2	3.6	5.0	4.1	4.1	3.0	2.5	1.5	2.2	3.7	
PER (price earnings ratio) (times)	19.2	18.0	16.3	18.1	14.8	19.0	20.0	24.4	29.0	35.2	30.4	35.4	
Payout ratio (%)	39.4	44.2	37.9	46.9	37.9	42.8	39.2	49.6	58.8	57.4	42.1	40.2	
<b>CVS BUSINESS (NON-CONSOLIDATED):</b>													
Growth rate of average daily sales at existing stores (non-consolidated) (%)	7.1	(2.4)	(0.2)	4.4	(1.6)	(0.4)	(2.2)	1.3	—	0.8	(0.3)	0.4	
Number of store openings (non-consolidated)	542	545	741	851	900	1,284	1,061	703	—	831	576	492	
Number of total FamilyMart chain stores	14,651	15,789	17,598	20,079	22,181	23,622	16,970	17,502	—	24,500	24,081	23,814	
Japan (including area franchised stores)	7,404	7,688	8,248	8,834	9,481	10,547	11,328	11,656	—	18,125	17,232	16,430	
Overseas	7,247	8,101	9,350	11,245	12,700	13,075	5,642	5,846	—	6,375	6,849	7,384	
Food recycling rate (%)* <sup>2</sup>	24.0	26.2	45.7	47.8	51.2	49.0	45.0	50.5	—	47.0	54.1	56.3	
<b>OTHER DATA:</b>													
Number of full-time employees	6,950	7,204	7,569	8,327	6,081	6,373	7,281	7,622	—	16,601	17,777	15,139	
Number of employees (non-consolidated)	3,060	3,065	3,358	3,356	3,364	3,694	3,896	4,304	—	6,199	5,944	6,045	
Ratio of female managers (FamilyMart, non-consolidated) (%)	1.1	0.8	0.7	0.7	1.0	0.7	0.8	1.8	—	1.2	2.4	3.4	
Ratio of female employees (FamilyMart, non-consolidated) (%)	11.1	12.1	12.3	12.3	12.9	12.1	12.4	13.6	—	12.1	12.7	15.9	
Number of shareholders	12,293	13,274	12,391	11,913	12,270	11,498	10,276	9,742	—	30,298	26,978	22,483	

\*1. On March 1, 2019, the Company implemented a four-for-one stock split to shares of common stock. The per share indicators were calculated based on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

\*2. Figures for fiscal 2017 and fiscal 2018 include the figures of Circle K and Sunkus.

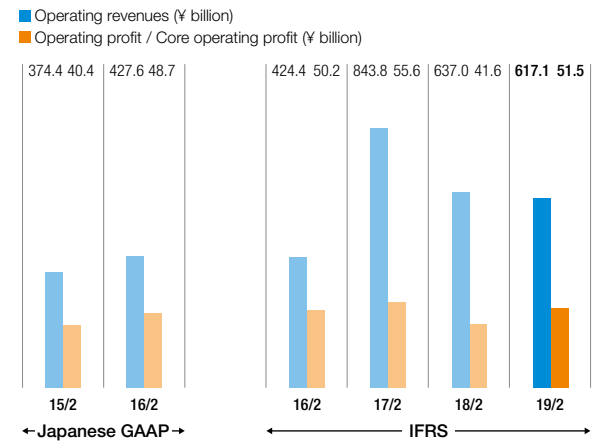
\*3. The Company used provisional accounting treatments for fiscal 2018 with regard to a business combination with Kanemi Co., Ltd., which took place in fiscal 2018. As amounts were determined in fiscal 2019, financial amounts have been restated for fiscal 2018.

\*4. In October 2018, the Company decided to sell all its shares of UNY CO., LTD. Accordingly, the Company has classified operations of UNY CO., LTD. and its subsidiaries as discontinued operations. Operating revenues and core operating profit for fiscal 2018 have been restated for continuing operations, deducting amounts corresponding to discontinued operations.

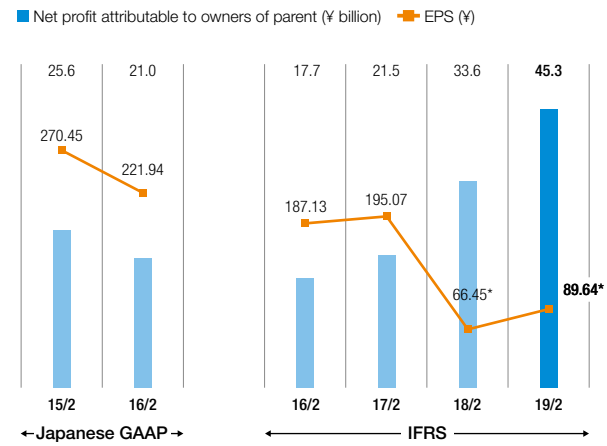
\*5 The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of readers outside Japan and have been made at the rate of ¥111 to \$1, the approximate rate of exchange at February 28, 2019.

# Consolidated Performance

## Operating Revenues and Operating Profit / Core Operating Profit

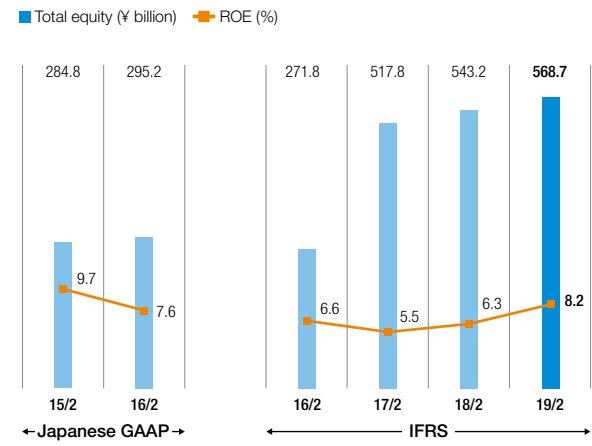


## Net Profit Attributable to Owners of Parent and EPS

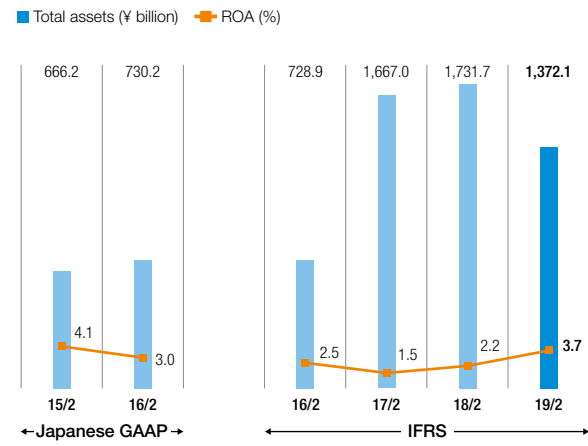


\* Stated figures have been retroactively adjusted for a four-for-one stock split.

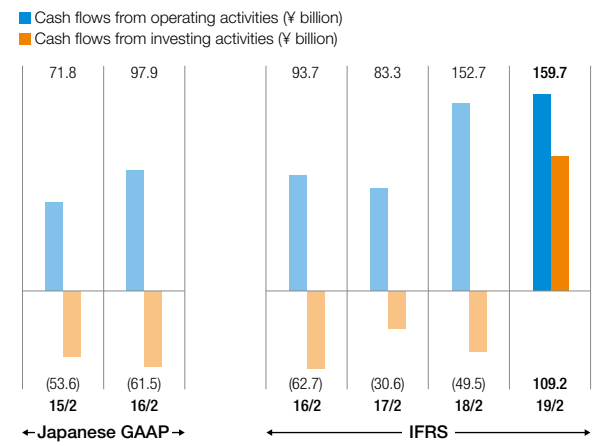
## Total Equity and ROE



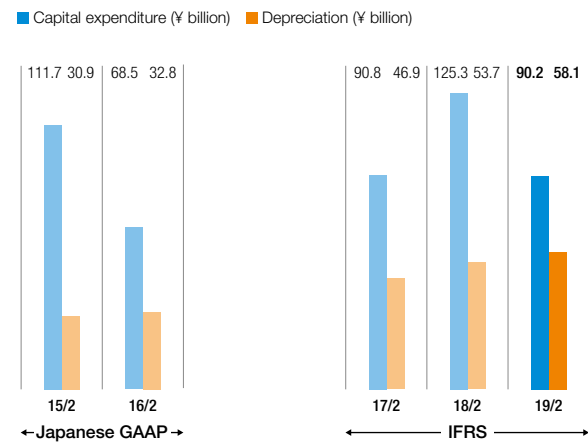
## Total Assets and ROA



## Cash Flows



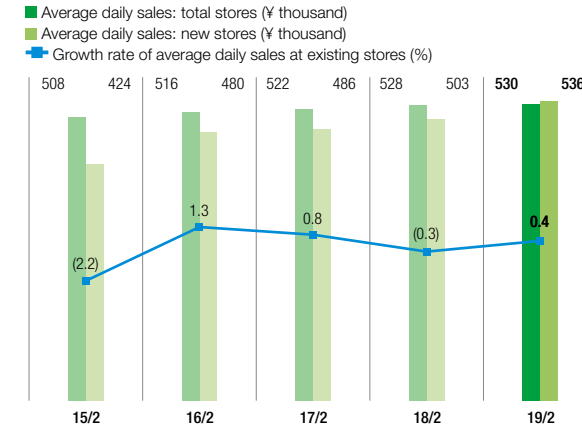
## Capital Expenditure and Depreciation



# Operating Data (Non-consolidated)

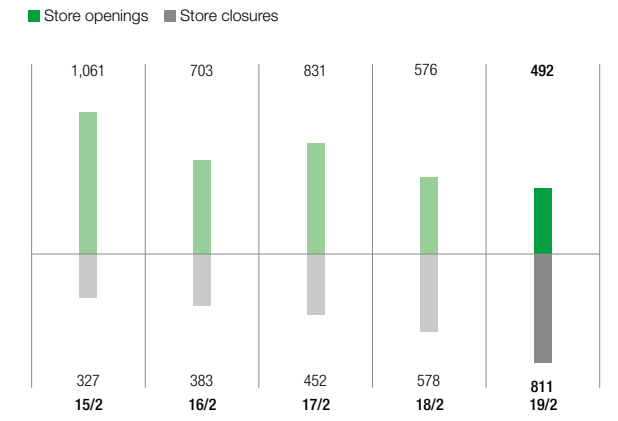
## Business Performance

### Average Daily Sales / Growth Rate of Average Daily Sales at Existing Stores\*



\* Circle K and Sunkus stores after brand conversion are included in figures for total stores, and are not included in figures for existing stores and newly opened stores.

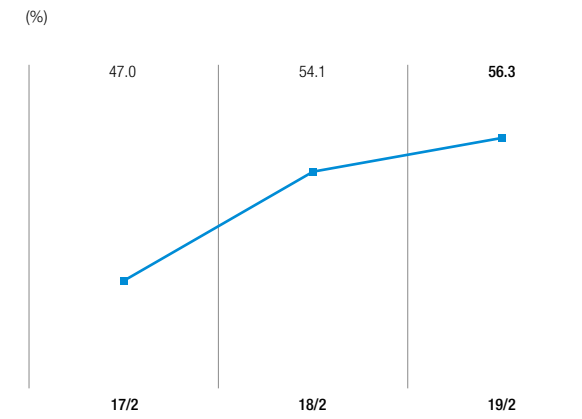
### Store Openings / Store Closures\*



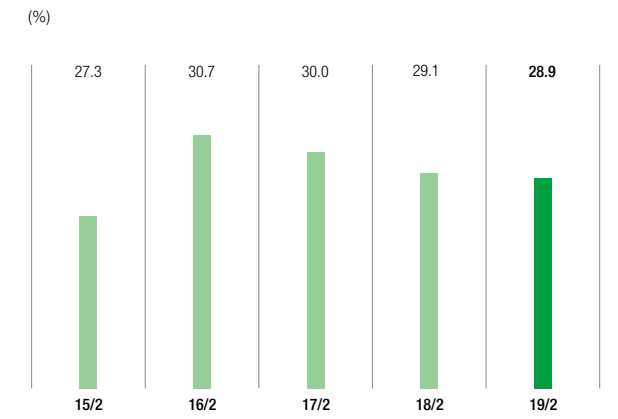
\* Figures for relocation of stores are included; Circle K Sunkus stores are not included.

## Environmental Data

### Food Recycling Rate

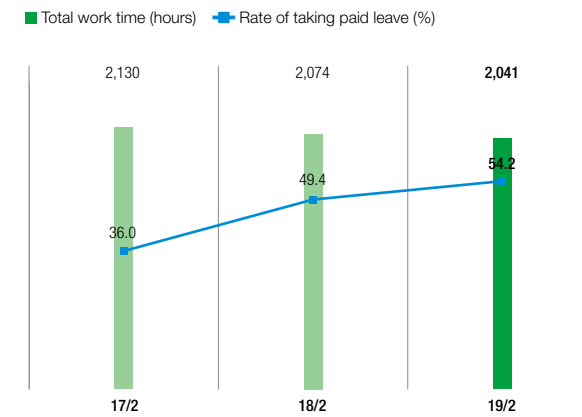


### Rate of Customers Declining Plastic Shopping Bag

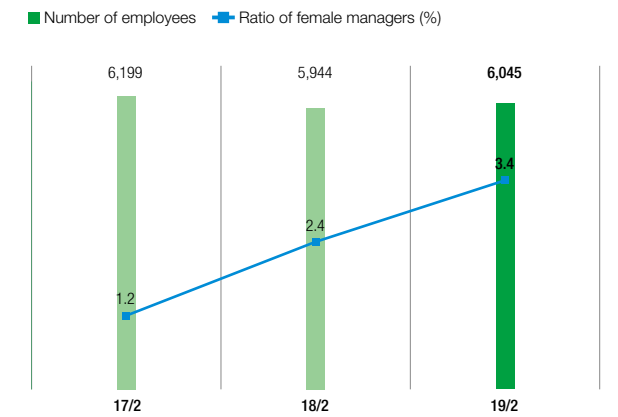


## Personnel Data

### Total Work Time / Rate of Taking Paid Leave



### Number of Employees / Ratio of Female Managers



# Management's Discussion and Analysis

## Current Situation of the FamilyMart UNY Holdings Group (Reporting Entity)

The Group consists of a total of 47 companies: the Company (FamilyMart UNY Holdings Co., Ltd.), 27 subsidiaries, and 19 affiliates and jointly controlled companies. These companies develop operations in the convenience store business, the general merchandise store business, and peripheral businesses.

### Major Group Companies

(As of February 28, 2019)

Operations	Company Name
Convenience store business (43 companies)	
Convenience store business	<ul style="list-style-type: none"> <li>◎ FamilyMart Co., Ltd.</li> <li>○ Okinawa FamilyMart Co., Ltd. (Okinawa Prefecture)</li> <li>○ Minami Kyushu FamilyMart Co., Ltd. (Kagoshima and Miyazaki prefectures)</li> <li>◎ Taiwan FamilyMart Co., Ltd. (Taiwan)</li> <li>○ Central FamilyMart Co., Ltd. (Thailand)</li> <li>○ Shanghai FamilyMart Co., Ltd. (China)</li> <li>○ Guangzhou FamilyMart Co., Ltd. (China)</li> <li>○ Suzhou FamilyMart Co., Ltd. (China)</li> </ul>
Other businesses	
	<ul style="list-style-type: none"> <li>◎ famima Retail Service Co., Ltd. (Accounting and other store-related services)</li> <li>◎ UFI FUTECH Co., Ltd.* (FinTech-related services)</li> <li>◎ SENIOR LIFE CREATE Co., Ltd. (Boxed lunch home delivery business)</li> <li>◎ EVENTIFY INC. (Entertainment business)</li> <li>○ POCKET CARD CO., LTD. (Credit card service business)</li> <li>○ LIVE VIEWING JAPAN Inc. (Entertainment business)</li> </ul>
General merchandise store business (2 companies)	
Other businesses	◎ Kanemi Co., Ltd. (Manufacturing, processing, and wholesale of prepared dishes)

Note: ◎ indicates subsidiaries, ○ indicates associates and joint ventures  
\* Company name changed to Famima Digital One Co., Ltd. on July 1, 2019

### General Merchandise Store Business

All the shares held in UNY (HK) CO., LIMITED were sold during the first quarter of the fiscal year ended February 28, 2019, leading to that company's exclusion from the scope of consolidation.

All the shares held in UNY CO., LTD. were sold during the fourth quarter of the fiscal year ended February 28, 2019, leading to that company and its subsidiaries being excluded from the scope of consolidation.

### Changes in the Parent Company of Other Subsidiaries and Associates

In the second quarter of the fiscal year ended February 28, 2019, ITOCHU Corporation, which was previously included in other subsidiaries and associates, became the parent

company of the Company as the result of a tender offer for the Company's shares.

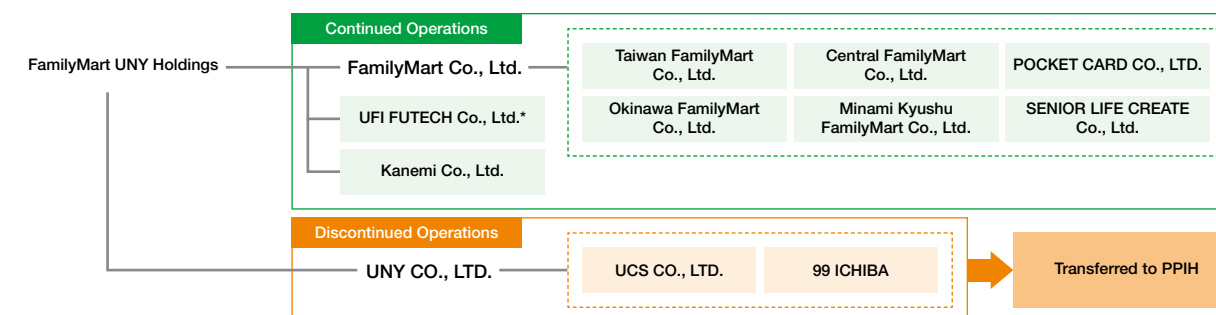
The Company belongs to the ITOCHU Group, which consists of ITOCHU Corporation and its subsidiaries and associates, and receives cooperation including advice and support on commodity supply systems from ITOCHU.

The Company corresponds to a specific listed company in the provisions of Article 49-2 of the Cabinet Office Order on Restrictions on Securities Transactions. Accordingly, the Company judges that falls within the criteria regarding material facts on insider trading regulations as minor.

In the general merchandise store business, Kanemi Co., Ltd. was excluded from the scope of consolidation as the result of a partial transfer of shares on April 12, 2019.

## Continued Operations and Discontinued Operations

In October 2018, the Company decided to sell all its shares of UNY CO., LTD. Accordingly, the Company has classified operations of UNY CO., LTD. and its subsidiaries as discontinued operations. The Company has restated amounts related to the discontinued operations in the consolidated statement of profit or loss, the consolidated statement of cash flows, and certain related consolidated financial notes for the fiscal year ended February 28, 2018.



\* Company name changed to Famima Digital One Co., Ltd. on July 1, 2019

## Market Environment in Fiscal 2018

In fiscal 2018, the year ended February 28, 2019, Japan's economy continued to recover gradually as the job market and personal income improved. The market environment remained problematic, characterized by increasingly stringent competition across business categories, an ongoing consumer focus on frugality, and labor shortages at stores and in distribution.

In fiscal 2018, total sales in Japan's retail industry were ¥145.2 trillion, up 1.6% year on year. Sales by department stores were ¥6.3 trillion, down 2.1% year on year; sales by supermarkets came to ¥13.1 trillion, up 0.5% year on year; and sales by convenience stores were ¥12.0 trillion, up 2.1% year on year. Meanwhile, e-commerce sales were up around 9.0%, increasing from ¥16.5 trillion in fiscal 2017 to ¥18.0 trillion in fiscal 2018.

Sources: Retail Statistical Yearbook and E-Commerce Market Survey, Ministry of Economy, Trade and Industry

## Business Performance in Fiscal 2018

During the year, the Group endeavored to innovate its retail business models. We also aim to be a social and lifestyle infrastructure provider indispensable to consumers' lives.

In fiscal 2018, operating revenues decreased ¥19,840 million, or 3.1%, year on year, to ¥617,174 million. Core operating profit increased ¥9,882 million, or 23.7%, to ¥51,553 million, owing to such measures as closing unprofitable stores.

Profit before income taxes fell ¥1,650 million, or 28.1%, year on year, to ¥4,225 million, stemming from the posting of impairment losses on store assets and goodwill.

After deducting income taxes and calculating profit from discontinued operations, net profit amounted to ¥57,316 million, up ¥20,763 million, or 56.8%, from the previous fiscal year. After deducting net profit attributable to non-controlling interests, net profit attributable to owners of parent increased ¥11,713 million, or 34.8%, year on year, to ¥45,370 million.

### Operating Results (Consolidated)

	18/2	19/2	YoY
Operating revenues	637,013*	617,174	(3.1%)
Core operating profit	41,671*	51,553	23.7%
Net profit attributable to owners of parent	33,656	45,370	34.8%

\* Operating revenues and core operating profit for fiscal 2017 have been restated for continuing operations, deducting amounts corresponding to discontinued operations.

## Segment Initiatives and Performance

### Fiscal 2018 Priority Measures

#### 1. Improvement of quality at existing stores

	Convenience Store Business	General Merchandise Store Business
Reinforcement of store foundations	<ul style="list-style-type: none"> <li>Complete brand conversion</li> <li>Advance B&amp;S initiatives</li> <li>Renovate existing stores and improve facilities</li> <li>Open high-quality stores, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Develop UD Retail business</li> <li>Renovate existing stores and improve facilities</li> <li>Open high-quality stores, etc.</li> </ul>
Enhancement of product competitiveness	<ul style="list-style-type: none"> <li>Improve quality of ready-to-eat items and conduct capital investments</li> <li>Introduce new coffee machines, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Advance side dish project (develop products through team merchandising, renovate sales floors), etc.</li> </ul>
Improvement of store operating procedures	<ul style="list-style-type: none"> <li>Enhance operational efficiency (introduce new store facilities, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>Invest in new systems (introduce new cash registers, etc.)</li> </ul>

#### 2. Creation of new revenue-generating businesses

Development of earnings foundations in financial and peripheral e-commerce operations	<ul style="list-style-type: none"> <li>Advance initiatives in the Company's financial operations</li> <li>Develop customer database</li> <li>Improve convenience and enable smartphone compatibility for point services</li> </ul>
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Performance by segment is as follows.

#### Convenience Store Business

FamilyMart Co., Ltd. is implementing a range of measures to create a stronger, more competitive convenience store chain while placing utmost priority on completing brand integration. To improve quality at existing stores, the company has been enhancing product competitiveness, improving store operation efficiency, and reinforcing store foundations (completing brand integration, advancing build-and-scrap (B&S) initiatives, renovating existing stores, and implementing localized sales promotion).

Regarding brand integration, all domestic Circle K and Sunkus stores discontinued their operations on November 30, 2018, and the brand integration of those stores to FamilyMart stores was completed. Since September 2016, the company has been working as one to promote this brand conversion, and these efforts resulted in a cumulative total of 5,003 stores being converted. Daily sales and customer numbers at converted stores are rising year on year. Following the completion of the integration, we aim to continue to generate further benefits from the integration such as the creating of merchandise including ready-to-eat meals and streamlining logistics operations by utilizing the domestic network of around 16,500 stores.

To enhance product competitiveness, the Group renewed self-service coffee machines, delicatessen items, and other product categories throughout the year, aiming to improve the intrinsic value of ready-to-eat meals and

create a merchandise lineup tailored to changes in the market. With FAMIMA CAFÉ, we began introducing a new type of self-service coffee machine in October 2018, further diversifying the menu and enhancing the taste of coffee and milk. This initiative has been well received by many customers. In addition, in September 2017 we marked the first anniversary of the launch of our "Mother's Kitchen" brand of original delicatessen series by expanding the lineup of prepared dishes containing fish, which are present on the dinner table particularly often. Supported by the combined efforts of TV commercials, expanded sales area, and enhanced marketing activities including sales promotions, sales are substantially higher year on year.

To enhance the efficiency of store operations, the Group is promoting radical reforms to address labor shortages by easing the burden on store staff and improving the efficiency of their work. In fiscal 2018, we launched an initiative to eliminate the need for inspections of the number of products, seeking to reduce the time spent by staff on work when deliveries are made. In addition, we increased the number of stores with self-checkout cash registers and started to roll out cash-counting machines to reduce the time staff spend on cash management. We also introduced labor-saving storage drawer racks and other store fixtures. Our fiscal 2018 survey of franchised stores indicated substantial growth in the number of stores where the burden on staff had been reduced.

To reinforce store foundations, the Group is creating a network of high-quality stores by advancing its B&S policy,

focusing on repositioning stores by administrative unit (town layout). In addition, in February 2019 the Group opened a 24-hour Fit & Go gym and a Famima Laundry laundromat operated by FamilyMart at the same site of the FamilyMart Nakarokugo Daiichi Keihin store in Ota-ku, Tokyo, aiming for new customer synergies with convenience stores.

From a service perspective, we have since November 2018 been introducing in stages the smartphone-based barcode payment services "d Payment<sup>®</sup>," "LINE Pay," "PayPay," and "Rakuten Pay (app-based payment)" as we work to diversify payment options. In addition, in January 2019, we extended the introduction of "Alipay" and "WeChat Pay" to further enhance convenience for overseas visitors to Japan.

To promote CSR activities, we held an event called *Famima Kodomo Shokudo* ("FamilyMart Children's Cafeteria") in five stores in the Kanto region to encourage interaction between regions and support the children who hold the future in their hands. In addition to using in-store spaces to provide children and their parents who live near an outlet with opportunities for meals and communication, the project lets children operate cash registers and visit to back room areas, thereby increasing their understanding of FamilyMart.

With respect to promoting diversity, we have worked to encourage staff with various values to apply their individual strengths to create new value. In June 2018, we opened two stores in the Hokuriku region under proposals from the Company's female staff involved in store construction, with many ideas from women's perspectives. In addition, in February 2019, we launched a new sweet potato-based Danish pastry product, "Narutokintoki no Uzuuzu Salt Danish," proposed by a project team comprising women from the Company and from stores in the Shikoku region under the concept of "local production for local consumption" of bakery items. Furthermore, we are committed to addressing the employment of people with disabilities on an ongoing basis, and are helping them maximize their potential at diverse sites including stores, farms, and the new head office, to which we relocated in February 2019. Through these efforts, we are developing a fulfilling workplace for everybody.

As of February 28, 2019, the number of stores operated in Japan was 16,430 (including 917 stores operated by three domestic area franchisers). The total number of stores operated overseas—in Taiwan, Thailand, China,

Vietnam, Indonesia, the Philippines, and Malaysia—was 7,384. As a result, the number of FamilyMart chain stores worldwide was 23,814.

As a result, average daily sales at all stores was ¥530 thousand, and the gross profit ratio (excluding services) was 30.9%. Gross operating revenues of the convenience store business segment fell 5.9% year on year, to ¥527,719 million; segment profit (core operating profit) grew 24.7%, to ¥53,550 million; and the segment loss (loss attributable to owners of parent) was ¥4,280 million (loss attributable to owners of parent was ¥1,285 million in fiscal 2017).

#### Operating Results: CVS Business

	18/2	19/2	YoY
Gross operating revenues	560,880	527,719	(5.9%)
Segment profit (loss)	(1,285)	(4,280)	—

FamilyMart	18/2	19/2	Increase / Decrease
Growth rate of average daily sales at existing stores (%)	(0.3)	0.4	—
Average daily sales at existing stores (¥ thousand)	534	538	4
Number of customers at existing stores	912	896	(16)
Average daily sales at existing stores (¥ thousand)	585	600	15

#### General Merchandise Store Business

In fiscal 2018, all shares of UNY CO., LTD. owned by the Company were transferred to Pan Pacific International Holdings Corporation, and the businesses of UNY CO., LTD. and its subsidiaries in the general merchandise store business segment were classified as discontinued operations.

Gross operating revenues of the general merchandise store business segment declined 10.9% year on year, to ¥640,140 million; segment profit (core operating profit) rose 25.1%, to ¥29,444 million; and segment profit (profit attributable to owners of parent) fell 36.2%, to ¥11,291 million. This profit has been restated in the consolidated statement of profit or loss as "profit from discontinued operations."

#### Operating Results: GMS Business

	18/2	19/2	YoY
Gross operating revenues	718,768	640,140	(10.9%)
Segment profit	17,708	11,291	(36.2%)



## Financial Position

Total assets stood at ¥1,372,117 million on February 28, 2019, down ¥359,669 million compared with the previous fiscal year-end.

Current assets were down ¥13,307 million from a year earlier, as a decrease in trade and other receivables offset an increase in cash and cash equivalents.

Non-current assets fell ¥346,363 million from the previous fiscal year-end, owing to the sale of UNY CO., LTD. and its subsidiaries.

Total liabilities amounted to ¥782,380 million, down ¥360,748 million.

The sale of UNY CO., LTD. and its subsidiaries caused current liabilities to decrease ¥131,667 million and non-current liabilities to decline ¥229,081 million.

Total equity increased ¥1,079 million from the previous fiscal year-end, to ¥589,737 million on February 28, 2019. Principal factors included an increase in retained earnings, while non-controlling interests fell due to the sale of UNY CO., LTD. and its subsidiaries in the general merchandise store business.

As a result, the equity ratio was 41.5%, up from 31.4% in the previous fiscal year; return on equity was 8.2%, up from 6.3%; and total equity attributable to owners of parent per share was ¥1,123.78. The Company conducted a four-for-one share split of its common stock with the effective date of March 1, 2019. Basic earnings per share are calculated on the assumption that the share split occurred at the beginning of fiscal 2017.

## Information on Sources of Capital and Flows of Cash

### Cash Flows

Cash flows during the year were as follows.

#### Cash Flows from Operating Activities

Net cash provided by operating activities was ¥159,742 million, up ¥7,013 million from fiscal 2017. Sources of cash included a decrease in trade and other receivables, while a decrease in deposits received used more cash than in the previous fiscal year.

#### Cash Flows from Investing Activities

Net cash provided by investing activities was ¥109,257 million, compared with ¥49,502 million used in these activities in fiscal 2017. The difference was mainly due to an increase in cash flows from investing activities as a result of collection of loans receivable related to UNY CO., LTD. and its subsidiaries, which were classified as discontinued operations.

#### Cash Flows from Financing Activities

Net cash used in financing activities was ¥156,234 million, an increase of ¥118,358 million compared with fiscal 2017. Repayments of bonds and borrowings was the main use of cash.

As a result, cash and cash equivalents at the end of the fiscal year amounted to ¥353,498 million, up ¥100,324 million from a year earlier.

### Demand for Cash

The Group has two major demands for cash: for working capital and equipment funds. As working capital, demand stems mainly from SG&A and other operating expenses. Demand for cash for equipment funds is for investment in stores in the convenience store business—new stores and renovations, fixtures, and systems at existing stores.

### Fiscal Policies

Currently, the Group funds working capital through its own operations. For equipment funds, in addition to internal funding we raise cash in line with funding plans based on our plans for the use of equipment funds. If internal funding is insufficient, we procure funding through leases, loans, or bonds.

In principle, overseas subsidiaries secure funds locally to meet demand for working capital and equipment funds. However, the Company may provide guarantees, if required.

## Capital Expenditures

In fiscal 2018, the Company and its subsidiaries made capital expenditures totaling ¥81,386 million primarily for store investments, including those for new store openings and the renovation of existing stores in the convenience store business.

### Capital Expenditures

	18/2	19/2	YoY
Convenience store business	116,281	<b>78,474</b>	(32.5%)
General merchandise store business	9,007	<b>9,745</b>	8.2%
Subtotal	125,289	<b>88,219</b>	(29.6%)
Discontinued operations	(7,359)	<b>(8,864)</b>	20.5%
Eliminations / Corporate	26	<b>2,031</b>	—
Total	117,956	<b>81,386</b>	(31.0%)

In the convenience store business, ¥49,791 million of capital expenditures was for new store openings and repairs and renovation of stores, ¥18,639 million was for leasehold deposits associated with store leases, and ¥10,043 million was for investments related to information systems. In the general merchandise store business, ¥7,974 million in capital expenditures was for new openings and repairs and renovations of stores, ¥48 million was for leasehold deposits associated with store leases, and ¥1,723 million was for investments related to information systems.

Capital expenditure associated with UNY CO., LTD. and its subsidiaries, included in the general merchandise store business, was classified as discontinued operations. Corresponding amounts are negative ¥716 million in capital expenditures for new openings and repairs and renovations of stores, negative ¥34 million for leasehold deposits associated with store leases, and negative ¥1,723 million for investments related to information systems.

Aside from store closures, no material sales or retirements of equipment were conducted during fiscal 2018.

## Dividend Policies

The Company views returning profits to shareholders as an important management task. We maintain a basic policy of distributing profits to shareholders on a stable and continuous basis commensurate with consolidated operating performance. Guided by this basic policy, we target a consolidated payout ratio of 40%.

The Company's Articles of Incorporation stipulate that dividend payments can be decided via resolutions by the Board of Directors based on Article 459 (1) of the Companies Act, and it is the Company's basic policy to issue dividend payments twice a year in the form of interim and year-end dividends.

Based on the above policies, the Company has chosen to issue annual dividend payments of ¥144.00 per share for fiscal 2018, consisting of an interim dividend of ¥63.50 per share and a year-end dividend of ¥80.50 per share.

The Company is a company to which consolidated dividend regulations apply.

## Medium- to Long-Term Strategies and Outlook for Fiscal 2019

We expect the operating environment surrounding the retail industry to remain unclear, owing to such factors as intensifying competition beyond conventional boundaries of business categories, weaker consumption stemming from a persistent emphasis on frugality, and the impact of increasingly severe labor shortages. In addition, customer needs have diversified, prompting the need to create new products and services based on novel concepts. Moreover, the public is stepping up its demands for companies in our industry to meet their corporate social responsibilities by providing safe foods and responding appropriately to environmental issues.

To be successful in this increasingly stringent competitive environment, the Group is determined to proactively pursue opportunities for further growth by providing unique value that leverages the Group's combined management resources.

The Group has itself four challenges: enhancing support for franchisees, an area of highest priority; strengthening stores' earnings power; implementing digital solutions; and promoting collaboration with Pan Pacific International Holdings Corporation. We will swiftly implement initiatives associated with these challenges.

To enhance support for franchisees, the Group is intensively promoting investments to make store operations more efficient. For instance, we are installing self-checkout machines and a new type of purchase-order terminal, addressing labor shortages and rising labor and other costs by systematically expanding the use of personnel from partner staffing companies onto a nationwide scale. In addition, the Group is experimenting with different hours of operation, upgrading employee benefits and other programs geared to franchisees, and fostering better dialogue between franchised stores and the chain headquarters. Moreover, to reduce franchised stores' losses on unsold items the Group is working to lengthen shelf life of ready-to-eat meals and reinforce advance-order sales of boxed lunches and seasonal products.

To strengthen stores' earnings power, the Group is working to enhance product competitiveness by revamping its core ready-to-eat meals, such as rice balls, boxed lunches, and fast-food items, further improving the essential value of products, and installing new fixtures. For example, we are expanding the sales area for frozen foods

and installing a new type of self-service coffee machine in all stores. Furthermore, the Group will tap new customer segments by reviewing product pricing levels and extending their reach ahead of the consumption tax hike slated for October 2019. The Group is also creating a network of high-quality stores by redoubling efforts to open stores in Japan's three major metropolitan areas while advancing the B&S strategy in store development focusing on repositioning stores by administrative unit. Going forward, the Group aims to provide convenience stores perfectly suited to local customers by stepping up locality-based initiatives—developing region-specific products, customizing stores, and running regional sales promotions.

In digital solutions, in July 2019 the Group began offering FamiPay, a proprietary digital currency smartphone app with a barcode-based payment function. We will expand on our open-use strategy with respect to business involving barcode-based payment and loyalty points and promote digital strategy for new forms of data-based business.

To promote collaboration with Pan Pacific International Holdings Corporation, we are jointly developing products and services, coordinating efforts in the financial services sector, and engaging in joint expansion overseas in our respective fields of business.

As a result, the Company has set a target of at least ¥60.0 billion for net profit attributable to owners of parent in fiscal 2020.

## Consolidated Performance Forecast

For fiscal 2019, the Company forecasts a year-on-year decline of 14.9% in operating revenues, to ¥525.0 billion, and year-on-year increases of 26.1% in core operating profit, to ¥65.0 billion, and 10.2% in net profit attributable to owners of parent, to ¥50.0 billion.

### Earnings Forecast (Consolidated)

	19/2	20/2 (est.)	YoY
Operating revenues	617,174	525,000	(14.9%)
Core operating profit	51,553	65,000	26.1%
Net profit attributable to owners of parent	45,370	50,000	10.2%

# Operational and Other Risks

The following section outlines some of the main risks relating to the status of the Group's operations, the status of accounting, and other matters that could potentially have a significant impact on investors' decisions.

Statements contained within this section that refer to matters in the future have been determined to the best of our knowledge as of the end of the reporting term.

The Company has a Companywide risk management system in place and assesses and classifies the risks that the Company faces according to potential frequency and degree of effect. The Company implements continuous activities commensurate with each risk to minimize its effect. Moreover, the Company advances these activities at its Group companies.

## (1) Economic Trends

The Group is mainly engaged in the operation of convenience stores. The Group's business performance and financial position could be adversely affected by various factors, including changes in the business climate, consumption trends, and other economic conditions and changes in competition with convenience stores and other retail formats, in its markets in Japan and overseas.

## (2) Natural Disasters

The Group's business performance and financial position could be adversely affected by unexpected events, such as fires, acts of terror, wars, and natural disasters, including earthquakes, epidemics, and extreme weather events, in Japan and overseas, leading to the destruction of stores, supply stoppages, and other circumstances disrupting the regular operation of FamilyMart stores.

## (3) Franchise System

In its convenience store business, the Group engages franchisees to operate its stores under its proprietary "FamilyMart System." The Group's business performance and financial position could be adversely affected by any acts that disrupt the operation of the system or by illegal or scandalous behavior involving franchisees and business partners that causes the suspension of business transactions or undermines public confidence in the chain.

The Group's business performance and financial position could also be adversely affected by the mass termination of franchise contracts with franchisees following a

breakdown in relations of trust between the Group and its franchisees.

## (4) Safety of Foods, etc.

As an operator of convenience stores, the Group is mainly engaged in the marketing of food products to consumers. The Group's business performance and financial position could be adversely affected by any major food safety incident (food poisoning, contamination, illegal mislabeling, etc.) arising despite its best preventive efforts. In addition to foods, the Group also offers such consumer products as clothes and daily necessities. If any serious accident involving these products, including a recall, were to occur, the Group's execution of business, operating results, financial conditions, and other areas of business could be affected.

The Group is committed to supplying safe food and other products through such measures as setting quality control standards and jointly creating with business partners an integrated quality management system that encompasses everything from production to marketing.

## (5) Legal and Regulatory Changes

As an operator of stores in Japan and overseas, the Group is subject to legal and regulatory requirements in such areas as the Companies Act, the Financial Instruments and Exchange Act, the Labor Standards Act (including other laws and regulations pertaining to labor management), food-related legislation, the Antimonopoly Act and the Subcontract Act, as well as the application of environmental and other laws and regulations, and administrative permissions. The Group recognizes legal compliance as an extremely important corporate responsibility. As such, the Group is reinforcing its compliance structure and making a thorough effort to ensure compliance. However, a breach could occur despite such measures, and the Group may be unable to avoid compliance-related risks or the risk that its social credibility may be damaged, including through the personal misconduct of an officer or employee.

The Group's business performance and financial position could be adversely affected by unforeseen changes in these legal and regulatory systems or licensing requirements for the operation of stores or by differences of opinion with regulators leading to increased costs and operational restrictions.

At the present time, the Group is not involved in any litigation that has the potential to significantly impact its performance. The Group's business performance and financial position could, however, be adversely affected by litigation that has a major impact on its performance or social standing or by a decision that negatively affects the Group or its business.

## (6) Handling of Personal Information

In its business processes, the Group collects and stores personal information relating to its customers. The Group's business performance and financial position could be adversely affected by any incidents of leakage of personal information that occur despite its best preventive efforts.

To ensure that no unauthorized access or leakage of personal information occurs, the Group conducts compulsory and appropriate supervision of employees that handle personal information while using organizational, human, physical, and technological safety management measures of proven reliability.

## (7) IT Systems

The Group has set up IT systems linking Group companies, business partners of the Group, and its franchised stores. The Group's business performance and financial position could be adversely affected by failure, misuse, or other unauthorized use of IT systems that lead to disruption of services and operations.

To address this issue, the Group has set up IT system safety mechanisms.

## (8) Human Resources

As an operator of stores in Japan and overseas, human resources are essential to the Group's business activities, including communication with customers and various other stakeholders. If increasingly stringent competition for personnel creates difficulties in recruiting appropriate human resources, the Group's execution of businesses, operating results, financial conditions, and other activities may be affected.

## (9) Management of Receivables

The Group provides deposits and guarantees to lessors in the course of its business. If the deterioration of a lessor's financial condition or other factors make collection of these deposits and guarantees problematic, the Group's execution of business, operating results, financial conditions, and other activities may be affected.

## (10) Impairment

The Group holds a large amount of non-current assets such as property, plant and equipment and goodwill related to stores. If an impairment loss is recorded due to the inability to recover the carrying amount of a store owing to a decline in store profitability, the Group's execution of business, operating results, financial conditions, and other activities may be affected.

# Consolidated Financial Statements

## Consolidated Statement of Financial Position (IFRS)

FamilyMart UNY Holdings Co., Ltd. and Consolidated Subsidiaries  
As of February 28, 2018 and February 28, 2019

	2018	Millions of yen 2019	Thousands of U.S. dollars* 2019
<b>ASSETS</b>			
CURRENT ASSETS:			
Cash and cash equivalents	¥ 253,174	¥ 353,498	\$ 3,184,664
Trade and other receivables	259,654	147,750	1,331,080
Other financial assets	19,463	12,857	115,833
Inventories	55,558	17,956	161,767
Other current assets	24,838	25,822	232,634
Subtotal	612,686	557,884	5,025,978
Assets held for sale	4,485	45,981	414,244
Total current assets	617,171	603,865	5,440,221
NON-CURRENT ASSETS:			
Property, plant and equipment	393,596	254,540	2,293,157
Investment property	137,004	12,105	109,052
Goodwill	156,557	142,732	1,285,874
Intangible assets	66,252	56,833	512,005
Investments accounted for using the equity method	23,956	23,224	209,228
Leasehold deposits receivable	122,917	89,813	809,125
Other financial assets	153,279	115,580	1,041,264
Assets for retirement benefits	1,758	—	—
Deferred tax assets	45,697	60,879	548,456
Other non-current assets	13,599	12,547	113,038
Total non-current assets	1,114,615	768,253	6,921,197
<b>TOTAL ASSETS</b>	<b>¥1,731,787</b>	<b>¥1,372,117</b>	<b>\$12,361,419</b>

\* The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of readers outside Japan and have been made at the rate of ¥111 to \$1, the approximate rate of exchange at February 28, 2019.

	2018	Millions of yen 2019	Thousands of U.S. dollars* 2019
<b>LIABILITIES AND EQUITY</b>			
CURRENT LIABILITIES:			
Trade and other payables	¥ 288,744	¥ 210,903	\$ 1,900,030
Deposits received	152,155	132,500	1,193,692
Bonds and borrowings	48,864	39,723	357,863
Lease obligations	27,160	26,270	236,666
Income taxes payable	7,885	4,659	41,976
Other current liabilities	57,802	27,998	252,231
Subtotal	582,611	442,053	3,982,458
Liabilities directly associated with assets held for sale	—	8,891	80,101
Total current liabilities	582,611	450,944	4,062,559
NON-CURRENT LIABILITIES:			
Bonds and borrowings	332,282	173,152	1,559,925
Lease obligations	93,843	82,831	746,221
Other financial liabilities	53,732	14,489	130,533
Liabilities for retirement benefits	16,970	15,281	137,663
Provisions	51,979	36,812	331,637
Other non-current liabilities	11,711	8,873	79,934
Total non-current liabilities	560,517	331,436	2,985,913
<b>TOTAL LIABILITIES</b>	<b>1,143,128</b>	<b>782,380</b>	<b>7,048,472</b>
EQUITY:			
Common stock	16,659	16,659	150,079
Capital surplus	236,785	236,747	2,132,857
Treasury shares	(1,104)	(1,185)	(10,678)
Other components of equity	15,925	6,773	61,017
Retained earnings	274,970	309,768	2,790,705
Total equity attributable to owners of parent	543,235	568,762	5,123,980
Non-controlling interests	45,424	20,975	188,967
<b>TOTAL EQUITY</b>	<b>588,659</b>	<b>589,737</b>	<b>5,312,947</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>¥1,731,787</b>	<b>¥1,372,117</b>	<b>\$12,361,419</b>



## Consolidated Statement of Profit or Loss (IFRS)

FamilyMart UNY Holdings Co., Ltd. and Consolidated Subsidiaries  
For the years ended February 28, 2018 and February 28, 2019

	Millions of yen		Thousands of U.S. dollars*
	2018	2019	2019
<b>Continuing operations:</b>			
Operating revenues	¥ 637,013	¥ 617,174	\$ 5,560,123
Cost of sales	(154,292)	(141,764)	(1,277,150)
Gross profit	482,721	475,410	4,282,973
Selling, general, and administrative expenses	(441,050)	(423,857)	(3,818,532)
Equity in earnings (losses) of associates and joint ventures	906	(2,070)	(18,651)
Other income	5,070	6,077	54,747
Other expenses	(42,700)	(51,665)	(465,447)
Finance income	3,053	2,409	21,704
Finance costs	(2,126)	(2,079)	(18,734)
Profit before income taxes	5,874	4,225	38,060
Income taxes	12,520	20,574	185,349
Profit from continuing operations	18,394	24,798	223,409
<b>Discontinued operations:</b>			
Profit from discontinued operations	18,158	32,517	292,948
Profit for the year	¥ 36,552	¥ 57,316	\$ 516,357
<b>PROFIT FOR THE YEAR ATTRIBUTABLE TO:</b>			
Owners of parent	¥ 33,656	¥ 45,370	\$ 408,735
Non-controlling interests	2,896	11,946	107,622
Profit for the year	¥ 36,552	¥ 57,316	\$ 516,357
<b>EARNINGS PER SHARE (Yen, U.S. dollars):</b>			
Basic earnings per share			
Continuing operations	¥ 31.31	¥ 43.42	\$ 0.39
Discontinued operations	35.14	46.22	0.42
Total	¥ 66.45	¥ 89.64	\$ 0.81

## Consolidated Statement of Comprehensive Income (IFRS)

FamilyMart UNY Holdings Co., Ltd. and Consolidated Subsidiaries  
For the years ended February 28, 2018 and February 28, 2019

	Millions of yen		Thousands of U.S. dollars*
	2018	2019	2019
<b>PROFIT FOR THE YEAR</b>			
	¥36,552	¥57,316	\$516,357
<b>OTHER COMPREHENSIVE INCOME:</b>			
Items that will not be reclassified subsequently to profit or loss	8,546	(5,094)	(45,894)
Financial assets measured at fair value through other comprehensive income	(1,354)	1,198	10,789
Remeasurements of defined benefit plans	(14)	(17)	(154)
Share of other comprehensive income of investments accounted for using the equity method	7,178	(3,914)	(35,259)
Total of items that will not be reclassified subsequently to profit or loss	(149)	(210)	(1,892)
Items that may be reclassified subsequently to profit or loss	(149)	(210)	(1,892)
Cash flow hedges	(542)	(576)	(5,192)
Exchange difference on translating foreign operations	142	(80)	(721)
Share of other comprehensive income (loss) of investments accounted for using the equity method	(550)	(866)	(7,804)
Total of items that may be reclassified subsequently to profit or loss	6,628	(4,780)	(43,064)
Total other comprehensive income (loss), net of tax	¥43,180	¥52,536	\$473,293
<b>COMPREHENSIVE INCOME</b>			
<b>COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>			
Owners of parent	¥40,404	¥41,327	\$372,311
Non-controlling interests	2,776	11,209	100,982
Comprehensive income	¥43,180	¥52,536	\$473,293

## Consolidated Statement of Changes in Equity (IFRS)

FamilyMart UNY Holdings Co., Ltd. and Consolidated Subsidiaries  
For the years ended February 28, 2018 and February 28, 2019

	Millions of yen											
	Equity attributable to owners of parent										Total equity	
	Common stock	Capital surplus	Treasury shares	Exchange difference on translating foreign operations	Cash flow hedges	Financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans	Total	Retained earnings	Total equity attributable to owners of parent		Non-controlling interests
BALANCE, MARCH 1, 2017	¥16,659	¥237,008	¥ (441)	¥(361)	¥ 336	¥ 8,228	¥ —	¥ 8,203	¥256,414	¥517,842	¥ 15,555	¥533,398
Profit for the year	—	—	—	—	—	—	—	—	33,656	33,656	2,896	36,552
Other comprehensive income	—	—	—	(204)	(133)	8,435	(1,350)	6,748	—	6,748	(120)	6,628
Total comprehensive income	—	—	—	(204)	(133)	8,435	(1,350)	6,748	33,656	40,404	2,776	43,180
Purchase of treasury shares	—	—	(41)	—	—	—	—	—	—	—	(41)	(41)
Disposal of treasury shares	—	0	4	—	—	—	—	—	—	—	4	4
Cash dividends	—	—	—	—	—	—	—	—	(14,188)	(14,188)	(3,640)	(17,828)
Changes due to business combinations	—	—	(223)	—	—	—	—	—	—	—	(223)	10,965
Changes in ownership interests in subsidiaries that do not result in a loss of control	—	(224)	—	—	4	(1)	—	4	—	(220)	19,366	19,146
Others	—	0	(401)	—	—	—	—	—	37	(365)	401	37
Transfer from other components of equity to retained earnings	—	—	—	—	—	(401)	1,350	950	(950)	—	—	—
Transfer from other components of equity to non-financial assets	—	—	—	—	21	—	—	21	—	21	—	21
Total transactions with owners	—	(224)	(662)	—	25	(401)	1,350	974	(15,101)	(15,012)	27,092	12,080
BALANCE, FEBRUARY 28, 2018	16,659	236,785	(1,104)	(565)	228	16,262	—	15,925	274,970	543,235	45,424	588,659
Profit for the year	—	—	—	—	—	—	—	—	45,370	45,370	11,946	57,316
Other comprehensive income	—	—	—	(316)	(216)	(4,738)	1,227	(4,043)	—	(4,043)	(737)	(4,780)
Total comprehensive income	—	—	—	(316)	(216)	(4,738)	1,227	(4,043)	45,370	41,327	11,209	52,536
Purchase of treasury shares	—	—	(83)	—	—	—	—	—	—	—	(83)	(83)
Disposal of treasury shares	—	1	1	—	—	—	—	—	—	—	2	2
Cash dividends	—	—	—	—	—	—	—	—	(15,121)	(15,121)	(15,834)	(30,954)
Changes in ownership interests in subsidiaries that do not result in a loss of control	—	(39)	—	—	—	—	—	—	—	(39)	(6,646)	(6,684)
Changes in ownership interests in subsidiaries that result in a loss of control	—	—	—	—	—	—	—	—	—	—	(13,203)	(13,203)
Others	—	0	—	—	—	—	—	—	(552)	(552)	25	(527)
Transfer from other components of equity to retained earnings	—	—	—	—	—	(3,875)	(1,227)	(5,102)	5,102	—	—	—
Transfer from other components of equity to non-financial assets	—	—	—	—	(7)	—	—	(7)	—	(7)	—	(7)
Total transactions with owners	—	(37)	(82)	—	(7)	(3,875)	(1,227)	(5,109)	(10,571)	(15,799)	(35,658)	(51,457)
BALANCE, FEBRUARY 28, 2019	¥16,659	¥236,747	¥(1,185)	¥(881)	¥ 5	¥ 7,649	¥ —	¥ 6,773	¥309,768	¥568,762	¥ 20,975	¥589,737

	Thousands of U.S. dollars*											
	Equity attributable to owners of parent										Total equity	
	Common stock	Capital surplus	Treasury shares	Exchange difference on translating foreign operations	Cash flow hedges	Financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans	Total	Retained earnings	Total equity attributable to owners of parent		Non-controlling interests
BALANCE, FEBRUARY 28, 2018	\$150,079	\$2,133,194	\$ (9,942)	\$(5,092)	\$ 2,056	\$146,506	\$ —	\$143,470	\$2,477,204	\$4,894,006	\$ 409,224	\$5,303,230
Profit for the year	—	—	—	—	—	—	—	—	408,735	408,735	107,622	516,357
Other comprehensive income	—	—	—	(2,845)	(1,949)	(42,682)	11,052	(36,424)	—	(36,424)	(6,640)	(43,064)
Total comprehensive income	—	—	—	(2,845)	(1,949)	(42,682)	11,052	(36,424)	408,735	372,311	100,982	473,293
Purchase of treasury shares	—	—	(748)	—	—	—	—	—	—	—	(748)	(748)
Disposal of treasury shares	—	6	12	—	—	—	—	—	—	—	17	17
Cash dividends	—	—	—	—	—	—	—	—	(136,223)	(136,223)	(142,645)	(278,867)
Changes in ownership interests in subsidiaries that do not result in a loss of control	—	(347)	—	—	—	—	—	—	—	(347)	(59,871)	(60,218)
Changes in ownership interests in subsidiaries that result in a loss of control	—	—	—	—	—	—	—	—	—	—	(118,950)	(118,950)
Others	—	4	—	—	—	—	—	—	(4,976)	(4,972)	226	(4,746)
Transfer from other components of equity to retained earnings	—	—	—	—	—	(34,912)	(11,052)	(45,964)	45,964	—	—	—
Transfer from other components of equity to non-financial assets	—	—	—	—	(65)	—	—	(65)	—	(65)	—	(65)
Total transactions with owners	—	(337)	(736)	—	(65)	(34,912)	(11,052)	(46,029)	(95,235)	(142,337)	(321,240)	(463,576)
BALANCE, FEBRUARY 28, 2019	\$150,079	\$2,132,857	\$(10,678)	\$(7,937)	\$ 43	\$ 68,912	\$ —	\$ 61,017	\$2,790,705	\$5,123,980	\$ 188,967	\$5,312,947

## Consolidated Statement of Cash Flows (IFRS)

FamilyMart UNY Holdings Co., Ltd. and Consolidated Subsidiaries  
For the years ended February 28, 2018 and February 28, 2019

		Millions of yen	Thousands of U.S. dollars*
	2018	2019	2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Profit before income taxes from continuing operations	¥ 5,874	¥ 4,225	\$ 38,060
Depreciation and amortization	54,588	59,397	535,108
Impairment losses	29,838	34,741	312,978
Equity in (losses) earnings of associates and joint ventures	(906)	2,070	18,651
Decrease (increase) in trade and other receivables	(973)	3,600	32,435
Decrease (increase) in inventories	(1,682)	1,689	15,217
Increase (decrease) in trade and other payables	14,220	1,660	14,959
Increase (decrease) in deposits received	(7,120)	(11,453)	(103,177)
Increase (decrease) in assets and liabilities for retirement benefits	2,399	157	1,418
Other	14,738	20,427	184,031
Subtotal	110,974	116,514	1,049,678
Interest and dividends received	3,268	2,007	18,083
Interest paid	(2,749)	(3,461)	(31,179)
Income taxes paid	(5,353)	(2,402)	(21,635)
Income tax refund	4,485	2,723	24,534
Cash flows from operating activities from discontinued operations	42,103	44,360	399,638
Net cash provided by operating activities	152,729	159,742	1,439,119
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Purchases of property, plant and equipment and investment property	(40,463)	(30,284)	(272,833)
Proceeds from sales of property, plant and equipment and investment property	5,234	1,399	12,607
Purchases of intangible assets	(8,434)	(4,618)	(41,599)
Payments of leasehold deposits receivable and construction assistance fund receivables	(20,234)	(19,124)	(172,287)
Collection of leasehold deposits receivable and construction assistance fund receivables	9,472	7,620	68,644
Purchases of investments	(8,489)	(4,250)	(38,285)
Proceeds from sales and redemption of investments	5,530	8,745	78,781
Proceeds from acquisition of businesses	700	—	—
Proceeds from disposal of businesses	—	3,617	32,587
Other	(290)	(1,529)	(13,775)
Cash flows from investing activities from discontinued operations	7,471	147,681	1,330,461
Net cash (used in) provided by investing activities	(49,502)	109,257	984,301
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Proceeds from bonds and borrowings	145,832	132,891	1,197,214
Repayments of bonds and borrowings	(137,139)	(221,719)	(1,997,469)
Repayments of lease obligations	(28,650)	(34,754)	(313,102)
Purchases of treasury shares	(41)	(83)	(751)
Payments for acquisitions of interests in subsidiaries from non-controlling interests	(55)	(202)	(1,819)
Dividends paid	(14,188)	(15,121)	(136,223)
Dividends paid to non-controlling interests	(3,593)	(2,634)	(23,726)
Decrease in commercial paper	(96,000)	—	—
Other	333	16	144
Cash flows from financing activities from discontinued operations	95,626	(14,627)	(131,778)
Net cash used in financing activities	(37,875)	(156,234)	(1,407,510)
<b>EFFECTS OF EXCHANGE RATE CHANGE ON CASH AND CASH EQUIVALENTS</b>	(466)	(778)	(7,005)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	64,885	111,988	1,008,905
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	188,289	253,174	2,280,847
<b>CASH AND CASH EQUIVALENTS INCLUDED IN ASSETS HELD FOR SALE</b>	—	(11,665)	(105,087)
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	¥ 253,174	¥ 353,498	\$ 3,184,664

## Major Group Companies

(As of February 28, 2019)

Company name	Operations	Voting rights** (%)	Relations to the Company
<b>Subsidiaries</b>			
FamilyMart Co., Ltd.*1	Convenience store business	100.00	Management guidance based on Group strategies, outsourcing transactions, officers holding concurrent positions at the Company
Taiwan FamilyMart Co., Ltd.*1	Convenience store business	50.00 (50.00)	Officers holding concurrent positions at the Company
famima Retail Service Co., Ltd.	Accounting and other store-related services	100.00 (100.00)	
UFI FUTECH Co., Ltd.*2	FinTech-related services	72.33	Officers holding concurrent positions at the Company
SENIOR LIFE CREATE Co., Ltd.	Boxed lunch home delivery business	95.43 (95.43)	Officers holding concurrent positions at the Company
EVENTIFY INC.	Entertainment business	100.00 (100.00)	
Kanemi Co., Ltd.*1*3	Manufacturing, processing, and wholesale of prepared dishes	53.14	Officers holding concurrent positions at the Company
20 other companies			
<b>Affiliates and Joint Ventures</b>			
Okinawa FamilyMart Co., Ltd.	Convenience store business	48.98 (48.98)	Officers holding concurrent positions at the Company
Minami Kyushu FamilyMart Co., Ltd.	Convenience store business	49.00 (49.00)	Officers holding concurrent positions at the Company
Central FamilyMart Co., Ltd.	Convenience store business	49.00 (49.00)	
Shanghai FamilyMart Co., Ltd.	Convenience store business	*5	
Guangzhou FamilyMart Co., Ltd.	Convenience store business	*5	
Suzhou FamilyMart Co., Ltd.	Convenience store business	*5	
POCKET CARD CO., LTD.	Credit card service business	34.00 (34.00)	
LIVE VIEWING JAPAN Inc.	Entertainment business	33.34 (33.34)	
11 other companies			
<b>Other</b>			
ITOCHU Corporation*3	General trading company	50.48 (8.82)	Advice and support regarding product supply systems for convenience store business and general merchandise store business and other support

\*1 The company indicated is a specified subsidiary.

\*2 UFI FUTECH Co., Ltd., changed its trade name to Famima Digital One Co., Ltd., on July 1, 2019.

\*3 The company indicated submits annual securities reports.

\*4 Figures in parentheses are indirect voting share percentages.

\*5 Joint venture China CVS (Cayman Islands) Holding Corp. holds 100% of voting rights.

Subsidiary FamilyMart China Holding Co., Ltd., holds 40.35% of voting rights of China CVS (Cayman Islands) Holding Corp.

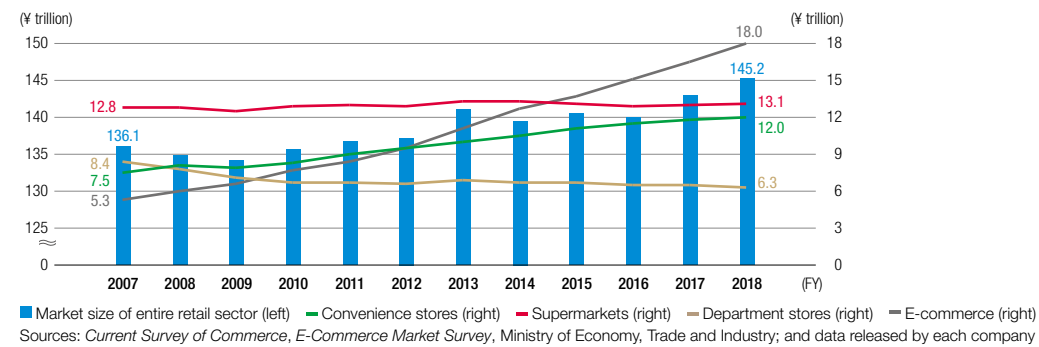
# Fact Sheets

## Retail Sector Data

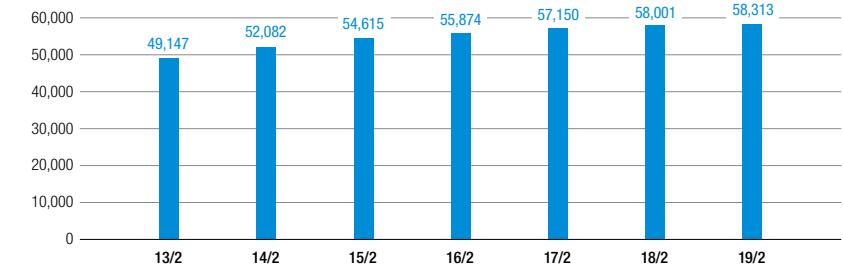
### Sales of Retail Sector

	13/3	14/3	15/3	16/3	17/3	18/3	19/3
Entire retail sector	137,184	141,136	139,466	140,565	140,275	143,005	<b>145,226</b>
Department stores	6,649	6,893	6,702	6,792	6,560	6,535	<b>6,396</b>
Supermarkets	12,905	13,250	13,293	13,147	12,965	13,089	<b>13,151</b>
Convenience stores	9,542	10,017	10,544	11,127	11,518	11,801	<b>12,050</b>
E-commerce	9,513	11,166	12,797	13,774	15,135	16,505	<b>17,984</b>

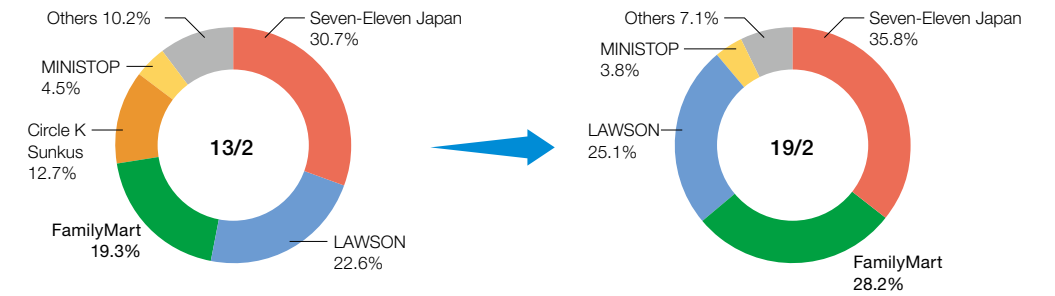
### Market Size of Retail Sector by Format



### Number of Convenience Stores



### Share of Store Numbers



## Convenience Store Sector Data

### Major Convenience Store Chains (Number of domestic stores, including area franchised stores)

	13/2	14/2	15/2	16/2	17/2	18/2	19/2	YoY difference
Seven-Eleven Japan	15,072	16,319	17,491	18,572	19,422	20,260	<b>20,876</b>	<b>616</b>
<b>FamilyMart</b>	<b>9,481</b>	<b>10,547</b>	<b>11,328</b>	<b>11,656</b>	<b>12,995</b>	<b>15,726</b>	<b>16,430</b>	<b>704</b>
Cocostore	731	693	656	405	/	/	/	/
Circle K Sunkus	6,242	6,359	6,353	6,350	5,130	1,506	/	/
LAWSON	11,130	11,606	12,276	12,395	13,111	13,992	<b>14,659</b>	<b>667</b>
MINISTOP	2,192	2,218	2,151	2,221	2,263	2,264	<b>2,197</b>	<b>(67)</b>
Daily Yamazaki	1,617	1,571	1,574	1,548	1,559	1,553	<b>1,473</b>	<b>(80)</b>
Seicomart	1,154	1,160	1,161	1,184	1,180	1,197	<b>1,202</b>	<b>5</b>
Community Store	313	448	594	520	518	548	<b>509</b>	<b>(39)</b>
JR-EAST	502	506	506	505	500	494	<b>492</b>	<b>(2)</b>
POPLAR	713	655	525	518	472	461	<b>475</b>	<b>14</b>
<b>Total</b>	<b>49,147</b>	<b>52,082</b>	<b>54,615</b>	<b>55,874</b>	<b>57,150</b>	<b>58,001</b>	<b>58,313</b>	<b>312</b>

Note: FamilyMart merged with Cocostore in December 2015 and with Circle K Sunkus in September 2016.

### Total Store Sales (Non-consolidated)

	13/2	14/2	15/2	16/2	17/2	18/2	19/2
<b>FamilyMart</b>	<b>1,584</b>	<b>1,721</b>	<b>1,860</b>	<b>2,005</b>	<b>3,009</b>	<b>3,016</b>	<b>2,982</b>
Circle K Sunkus	878	895	928	936	/	/	/
Seven-Eleven Japan	3,508	3,781	4,008	4,291	4,515	4,678	<b>4,898</b>
LAWSON	1,693	1,758	1,932	1,960	2,027	2,110	<b>2,236</b>

### Growth Rate of Average Daily Sales at Existing Stores (Non-consolidated)

	13/2	14/2	15/2	16/2	17/2	18/2	19/2
<b>FamilyMart</b>	<b>(1.6)</b>	<b>(0.4)</b>	<b>(2.2)</b>	<b>1.3</b>	<b>0.8</b>	<b>(0.3)</b>	<b>0.4</b>
Circle K Sunkus	(4.8)	(3.1)	(3.6)	(0.9)	(2.1)	(5.4)	/
Seven-Eleven Japan	1.3	2.3	2.4	2.9	1.8	0.6	<b>1.3</b>
LAWSON	0.0	(0.2)	(1.0)	1.4	(0.2)	0.0	<b>(0.5)</b>

Sources: Convenience Store Sokuho, Ryutsu Sangyo Shinbunsha for number of stores; and data released by each company  
Note: From fiscal 2018, figures do not include the impact of services (pre-paid cards, tickets).

## Convenience Store Business

## Statement of Profit or Loss (Non-consolidated)

(¥ million)

	18/2	19/2			20/2		
	Full year	Full year		Full year (Est.)		YoY (%)	YoY difference
		YoY (%)	YoY difference	YoY (%)	YoY difference		
Total store sales	3,016,064	<b>2,982,852</b>	<b>(1.1)</b>	<b>(33,211)</b>	3,000,000	0.6	17,147
Gross operating revenue	468,179	<b>434,159</b>	<b>(7.3)</b>	<b>(34,020)</b>	414,000	(4.6)	(20,159)
Income from franchised stores	327,453	<b>335,744</b>	<b>2.5</b>	<b>8,292</b>			
Other operating revenues	40,474	<b>36,283</b>	<b>(10.4)</b>	<b>(4,191)</b>			
Net sales	100,252	<b>62,132</b>	<b>(38.0)</b>	<b>(38,121)</b>			
Operating gross profit	396,108	<b>390,979</b>	<b>(1.3)</b>	<b>(5,129)</b>	388,000	(0.8)	(2,979)
Selling, general and administrative expenses	361,912	<b>346,723</b>	<b>(4.2)</b>	<b>(15,189)</b>	330,000	(4.8)	(16,723)
Leasehold and office rent	164,930	<b>159,375</b>	<b>(3.4)</b>	<b>(5,555)</b>			
Personnel expenses	65,256	<b>59,601</b>	<b>(8.7)</b>	<b>(5,656)</b>			
Advertising expenses	20,583	<b>19,734</b>	<b>(4.1)</b>	<b>(848)</b>			
Depreciation	45,257	<b>50,300</b>	<b>11.1</b>	<b>5,043</b>			
Other	65,885	<b>57,713</b>	<b>(12.4)</b>	<b>(8,172)</b>			
Core operating profit*	34,196	<b>44,255</b>	<b>29.4</b>	<b>10,059</b>	58,000	31.1	13,745
Other income	1,669	<b>1,297</b>	<b>(22.3)</b>	<b>(373)</b>	1,000	(22.9)	(297)
Other expenses	41,982	<b>48,903</b>	<b>16.5</b>	<b>6,921</b>	8,500	(82.6)	(40,403)
Loss on disposal of fixed assets	4,633	<b>7,529</b>	<b>62.5</b>	<b>2,897</b>			
Impairment loss	28,468	<b>28,714</b>	<b>0.9</b>	<b>246</b>			
Other	8,881	<b>12,660</b>	<b>42.5</b>	<b>3,779</b>			
Finance income	10,228	<b>5,734</b>	<b>(43.9)</b>	<b>(4,494)</b>	6,000	4.6	266
Finance costs	1,867	<b>1,941</b>	<b>3.9</b>	<b>74</b>	1,500	(22.7)	(441)
Profit before tax	2,244	<b>442</b>	<b>(80.3)</b>	<b>(1,803)</b>	55,000	—	54,558
Profit	509	<b>(3,180)</b>	<b>—</b>	<b>(3,689)</b>	40,000	—	43,180

\* Core operating profit is a profit indicator for operating profit under Japanese GAAP that is calculated by subtracting the cost of sales and selling, general and administrative expenses from gross operating revenue.

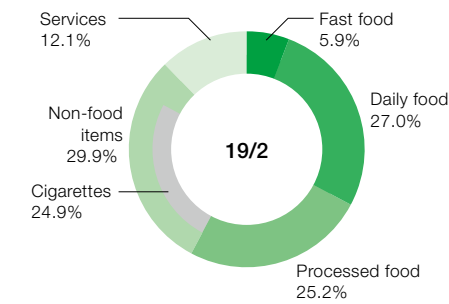
## Business Performance

## Average Daily Sales (Non-consolidated)

	18/2	19/2	20/2 (Est.)
Average daily sales at all stores (¥ thousand)	528	<b>530</b>	532
Number of customers	892	<b>879</b>	881
Spending per customer (¥)	592	<b>603</b>	604
Average daily sales at existing stores (¥ thousand)	534	<b>538</b>	539
Number of customers	912	<b>896</b>	897
Spending per customer (¥)	585	<b>600</b>	601
(FY) Growth rate of average daily sales at existing stores including converted stores from Circle K Sunkus (%)	2.1	<b>1.7</b>	
Growth rate of average daily sales at existing stores (%)*	(0.3)	<b>0.4</b>	0.6
Average daily sales at new stores (¥ thousand)	503	<b>536</b>	520

\* Growth rate of average daily sales at existing stores does not include the impact of services (pre-paid cards, tickets).

## Sales by Product Category



Category	Products
Fast food	Fried chicken, steamed meat buns, <i>oden</i> , and counter coffee, etc.
Daily food	Lunch boxes, noodles, sandwiches, desserts, etc.
Processed food	Beverages, liquor, instant noodles, confectionery, etc.
Non-food items	Magazines, daily goods, cigarette, etc.
Services	Pre-paid cards, tickets, copy service, express service, etc.

	18/2						19/2						20/2 (Est.)	
	Sales		Gross profit ratio (%)				Sales		Gross profit ratio (%)				Gross profit ratio (%)	
	YoY (%)	Share	YoY difference	Share	YoY difference	YoY (%)	Share	YoY difference	Share	YoY difference	YoY difference	YoY difference		
Fast food	156,102	29.3	6.1	45.37	(0.06)	<b>170,940</b>	<b>9.5</b>	<b>5.9</b>	<b>45.18</b>	<b>(0.19)</b>				
Daily food	681,946	16.4	26.8	35.97	0.20	<b>787,923</b>	<b>15.5</b>	<b>27.0</b>	<b>36.07</b>	<b>0.10</b>				
Processed food	647,525	21.8	25.4	37.98	0.48	<b>736,113</b>	<b>13.7</b>	<b>25.2</b>	<b>38.25</b>	<b>0.27</b>				
Liquor	108,794	24.7	4.3	25.27	0.69	<b>124,877</b>	<b>14.8</b>	<b>4.3</b>	<b>25.64</b>	<b>0.37</b>				
Food sub-total	1,485,575	20.0	58.3	37.82	0.36	<b>1,694,976</b>	<b>14.1</b>	<b>58.0</b>	<b>37.94</b>	<b>0.12</b>				
Non-food	755,794	21.5	29.7	15.60	(0.15)	<b>873,989</b>	<b>15.6</b>	<b>29.9</b>	<b>15.56</b>	<b>(0.04)</b>				
Cigarettes	618,731	23.6	24.3	10.81	±0.00	<b>726,298</b>	<b>17.4</b>	<b>24.9</b>	<b>10.97</b>	<b>0.16</b>				
Services	305,474	27.0	12.0	6.20	0.16	<b>352,090</b>	<b>15.3</b>	<b>12.1</b>	<b>6.68</b>	<b>0.48</b>				
Total	2,546,843	21.2	100.0	27.50	0.06	<b>2,921,056</b>	<b>14.7</b>	<b>100.0</b>	<b>27.47</b>	<b>(0.03)</b>	27.52	0.05		
(FY) GP ratio excluding services and EC				30.9	0.2				<b>30.9</b>	<b>±0.0</b>	31.0	0.1		



## Profile of Stores

### Number of Stores

	18/2		19/2		20/2 (Est.)	
	Number of stores	YoY difference	Number of stores	YoY difference	Number of stores	YoY difference
Company-owned stores	299	(57)	239	(60)	215	(24)
Type 1	7,004	416	7,018	14		
Type 2	7,504	2,359	8,256	752		
Franchised stores	14,508	2,775	15,274	766	15,398	124
FamilyMart stores (non-consolidated)	14,807	2,718	15,513	706	15,613	100
Circle K Sunkus stores (non-consolidated)	1,506	(3,406)	—	(1,506)	—	—
Number of stores operated by FamilyMart Co., Ltd. (non-consolidated)	16,313	(688)	15,513	(800)	15,613	100
Okinawa FamilyMart Co., Ltd.	324	6	325	1		
Minami Kyushu FamilyMart Co., Ltd.	406	1	400	(6)		
JR KYUSHU RETAIL, INC.	189	6	192	3		
Sunkus Nishi-Shikoku*	—	(63)	—	—		
Circle K Shikoku*	—	(155)	—	—		
Number of stores operated by area franchise companies in Japan	919	(205)	917	(2)	943	26
Number of stores in Japan	17,232	(893)	16,430	(802)	16,556	126
Taiwan	3,168	97	3,357	189	3,551	194
Thailand	1,134	(4)	1,035	(99)	978	(57)
China	2,197	322	2,569	372	2,802	233
Vietnam	160	38	149	(11)	141	(8)
Indonesia	88	18	122	34	172	50
The Philippines	65	(30)	69	4	94	25
Malaysia	37	33	83	46	164	81
Number of overseas stores operated by area franchise companies	6,849	474	7,384	535	7,902	518
Number of stores operated by area franchise companies	7,768	269	8,301	533	8,845	544
<b>Total number of stores</b>	<b>24,081</b>	<b>(419)</b>	<b>23,814</b>	<b>(267)</b>	<b>24,458</b>	<b>644</b>

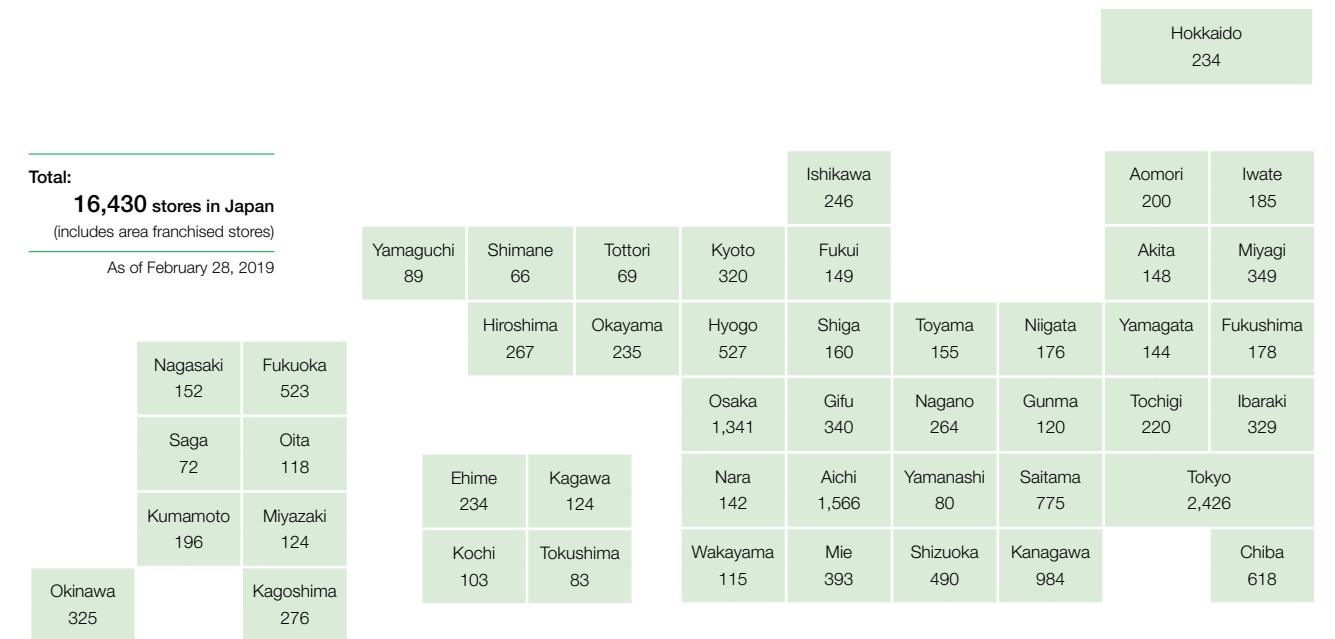
\* Sunkus Nishi-Shikoku and Circle K Shikoku integrated with FamilyMart Co., Ltd. on March 1, 2017.

### Number of Store Openings and Closures (Non-consolidated)

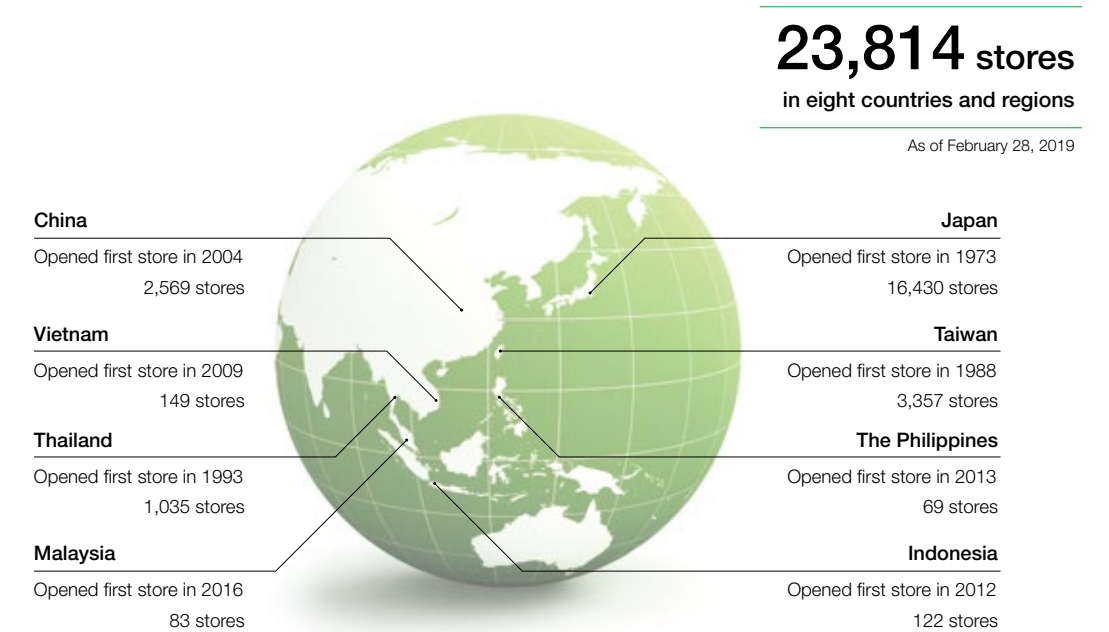
	18/2	19/2		20/2 (Est.)	
	Full year	Full year	FamilyMart	Circle K Sunkus	Full year
Number of stores operated by FamilyMart Co., Ltd. (non-consolidated)	16,313	15,513	15,513	—	15,613
New opening	261	130	130	—	285
Opening due to relocation*	315	362	362	—	215
Converting CKS stores to FM brand	2,720	1,025	1,025	—	
Closure	4,202	2,317	811	1,506	400
Closure	1,119	1,000	607	393	185
Closure due to relocation	350	337	204	133	215
Closure due to brand conversion	2,733	980	—	980	
Net increase / decrease	(906)	(800)	706	(1,506)	100

\* Figures for relocation of FamilyMart stores include store relocations that occurred following the conversion from Circle K and Sunkus stores to the FamilyMart brand.

### Number of Stores by Prefecture



### Number of Stores by Region



## Franchise Contracts

## Types of Franchise Contracts

(Contract details differ according to area franchisers)  
○ Provided by the franchisee

Contract type	1FC-A	1FC-B	1FC-C	2FC-N
Contract period	10 years from store opening			
Funds	¥3,000,000 at contract date (excluding consumption tax) Affiliation fee: ¥500,000 (excluding consumption tax) Store preparation commission: ¥1,000,000 (excluding consumption tax) Initial stocking fee: ¥1,500,000 (including cash for making change and a portion of merchandise procurement costs)			
Required at contract date	○			
Land / building	○	○	Provided by FamilyMart	Provided by FamilyMart
Interior facility construction expense	○	○ FamilyMart funds part of expense	○	Provided by FamilyMart
Sales fixtures Information devices	○ (In principle, FamilyMart funds necessary expenses.)			
Staff hiring Application for approval	About ¥500,000 (Franchisees are required to fund their own living expenses for 2 to 3 months.)			
Franchise commission	Percentage of monthly gross margin* Up to ¥2.5 million: 49% From ¥2.5 million: 39% Over ¥3.5 million: 36%	Percentage of monthly gross margin* Up to ¥2.5 million: 52% From ¥2.5 million: 42% Over ¥3.5 million: 39%	Percentage of monthly gross margin* Up to ¥3.0 million: 59% From ¥3.0 million: 52% Over ¥4.5 million: 49%	Percentage of monthly gross margin* Up to ¥3.0 million: 59% From ¥3.0 million: 63% Over ¥5.5 million: 69%
Rent	Note 1		Provided by FamilyMart	Provided by FamilyMart
Minimum operating revenue guaranteed (for stores open 24 hrs/day)	¥20 million per year			
Incentive for opening 24 hrs/day	¥1.2 million per year			
Support for losses from food waste	<Training period (1st-12th month from opening)> Of monthly losses from food waste: 1) 80% between 1st and 4th month from opening 2) 50% between 5th and 12th month from opening		<After training period> Of monthly losses from food waste: 1) 10% for amounts between ¥100,000 and ¥300,000 2) 50% for amounts between ¥300,000 and ¥500,000 3) 15% for amounts exceeding ¥500,000	
Support for utilities	90% for amounts below ¥3.6 million per year			
Store management support	¥1.2 million per year			

Notes: 1. In the case of rental store space, the franchisee shall pay the rent, a leasehold deposit, and guarantee money.  
2. A loan system is available for part of the franchisee's initial payments in the case of 2FC-N contracts.  
3. FamilyMart revises the incentive for opening 24 hours a day every year, based on the percentage increase in the minimum wage.

\* Net sales less cost of sales

## FamilyMart's Franchise System

FamilyMart Co., Ltd., as the franchiser, collaborates closely with all of its franchisees to foster mutual trust and a collaborative relationship so that both parties may achieve business growth. Our franchisees are responsible for store management, including the ordering of their own inventories, the arranging of their product displays, and the hiring and training of their staff. For our part, we

supply not only our brand name and logo but also full store management support services, including store operational know-how and the shared use of data management and logistics systems. In return for this support, the Company receives royalty income consisting of a certain percentage of each franchisee's gross margin. The rate differs according to the type of franchise contract.

## Major Store Operation Systems

Multiple-Store Promotion System (1FC Contracts)	Multiple-Store Promotion System (2FC Contracts)	Step-Up Program for Franchisees on 2FC-N Contracts
This incentive-based support system encourages franchisees operating one store to take on multiple stores.	Under this system, which is geared toward expanding franchised store operations, FamilyMart's head office provides all store infrastructure, thereby allowing franchisees to hold down the outlay of funds. Irrespective of the initial type of operating contract, franchisees can take on the management of multiple stores.	This program enables franchisees on 2FC-N contracts to step up to 1FC-B or 1FC-C contracts after completing five years of management of a new store and fulfilling their contracts.

Note: Not applicable to certain stores

## Major Support Systems for Franchisees

Family Membership Promotion System	Newly Independent Franchisee Support System Intern Employee Independence System	2FC-N Contract Fund Partial Loan System	FamilyMart Store Staff Independent Franchisee Support System
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Note: Not applicable to certain stores

## Information on Major Companies

## Number of Subsidiaries, Affiliates, and Joint Ventures

	19/2	YoY difference
Number of subsidiaries	27	(11)
Number of affiliates and joint ventures	19	(8)
Total	46	(19)

## Financial Summary of Main Subsidiaries

	Taiwan FamilyMart Co., Ltd.		SENIOR LIFE CREATE Co., Ltd.			
	Shares	50.00%	Shares	95.43%		
	19/2	20/2 (Est.)	19/2	20/2 (Est.)		
	YoY (%)	YoY (%)	YoY (%)	YoY (%)		
Gross operating revenues	64,479	7.1	10,110	8.4	12,255	21.2
Core operating profit	7,884	25.4	389	(17.0)	6	(98.5)
Net income	6,251	7.4	247	(15.9)	3	(98.8)

Note: The figures for earnings contributions [shares] by subsidiaries are as of February 28, 2019.

## Financial Summary of Main Affiliates and Joint Ventures

	Okinawa FamilyMart Co., Ltd.		Minami Kyushu FamilyMart Co., Ltd.					
	Shares	48.98%	Shares	49.00%				
	19/2	20/2 (Est.)	19/2	20/2 (Est.)				
	YoY (%)	YoY (%)	YoY (%)	YoY (%)				
Net profit	1,192	24.3	719	(39.7)	(516)	—	203	—

(¥ million)

	Central FamilyMart Co., Ltd.		Pocket Card Co., Ltd.					
	Shares	49.00%	Shares	34.00%				
	19/2	20/2 (Est.)	19/2	20/2 (Est.)				
	YoY (%)	YoY (%)	YoY (%)	YoY (%)				
Net profit	(1,218)	—	1	—	5,465	51.9	6,252	14.4

Note: The figures for earnings contributions [shares] by affiliates and subsidiaries are as of February 28, 2019.

## Capital Expenditures

	18/2	19/2	20/2 (Est.)	YoY (%)
	FamilyMart Co., Ltd. (Non-consolidated)			
Lease deposits	15,984	14,035	16,470	17.3
For new stores	29,868	13,609	12,457	(8.5)
For existing stores	9,917	11,961	66,492	455.9
For stores	39,785	25,571	78,949	208.7
Head office investment	674	835	5,812	596.0
System investment	5,004	4,525	11,883	162.6
For head office	5,678	5,360	17,695	230.1
Lease	42,681	20,707	886	(95.7)
Total capital expenditure	104,130	65,673	114,000	73.6
Consolidated total				
Capital expenditure	125,314	90,250	140,000	55.1
Depreciation	53,747	58,116	59,100	1.7

# Corporate Data / Investor Information

## Corporate Data

(As of February 28, 2019)

Corporate name	FamilyMart Co., Ltd. (From September 1, 2019)
Head office	1-21, Shibaura 3-chome, Minato-ku, Tokyo Telephone: (81) 3-6436-7301
Incorporated	September 1, 1981
Common stock	¥16,659 million
Fiscal year	March 1 to the last day of February
Objective of business	Convenience store operations under franchise system
Total store sales	¥2,982,852 million
Number of employees	15,139 (consolidated)
Authorized shares	250,000,000
Issued shares	126,712,313 (Treasury stock: 183,999 shares)
Number of shareholders	10,444
Stock exchange listings	Tokyo Stock Exchange (First Section), Nagoya Stock Exchange (First Section)
Securities code	8028
Trading unit of shares	100 shares
Transfer agent	Sumitomo Mitsui Trust Bank, Limited
Independent auditors	Deloitte Touche Tohmatsu LLC
Ordinary general meeting of shareholders	May each year

## Principal Shareholders

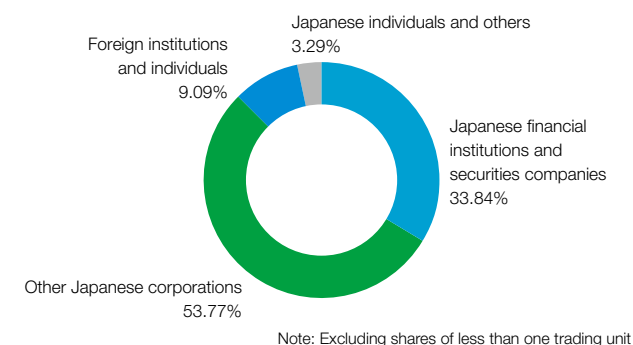
(As of February 28, 2019)

Name of Shareholders	Number of Shares*2 (thousands)	Shareholdings (%)
ITOCHU Corporation	52,507	41.50
The Master Trust Bank of Japan, Ltd. (Trust account)	18,676	14.76
ITOCHU RETAIL INVESTMENT, LLC*1	10,880	8.60
Japan Trustee Services Bank, Ltd. (Trust account)	7,086	5.60
Trust & Custody Services Bank, Ltd. (Securities Investment Trust Account)	3,074	2.43
NTT DOCOMO, INC.	1,813	1.43
Nippon Life Insurance Company	1,553	1.23
BNP Paribas Securities (Japan) Limited	1,433	1.13
Goldman Sachs Japan Co., Ltd. BNYM	1,326	1.05
STATE STREET BANK WEST CLIENT - TREATY 505234	1,243	0.98
<b>Total</b>	<b>99,590</b>	<b>78.71</b>

\*1 ITOCHU RETAIL INVESTMENT, LLC is a wholly owned subsidiary of ITOCHU Corporation.  
\*2 On March 1, 2019, the Company implemented a four-for-one stock split to shares of common stock. However, the number of shares above is the number of issued shares before the stock split.  
Note: Figures under shareholdings represent shares as a percentage of the total number of issued shares. In addition to the above, the Company holds 183,999 shares of treasury stock.

## Distribution of Shares

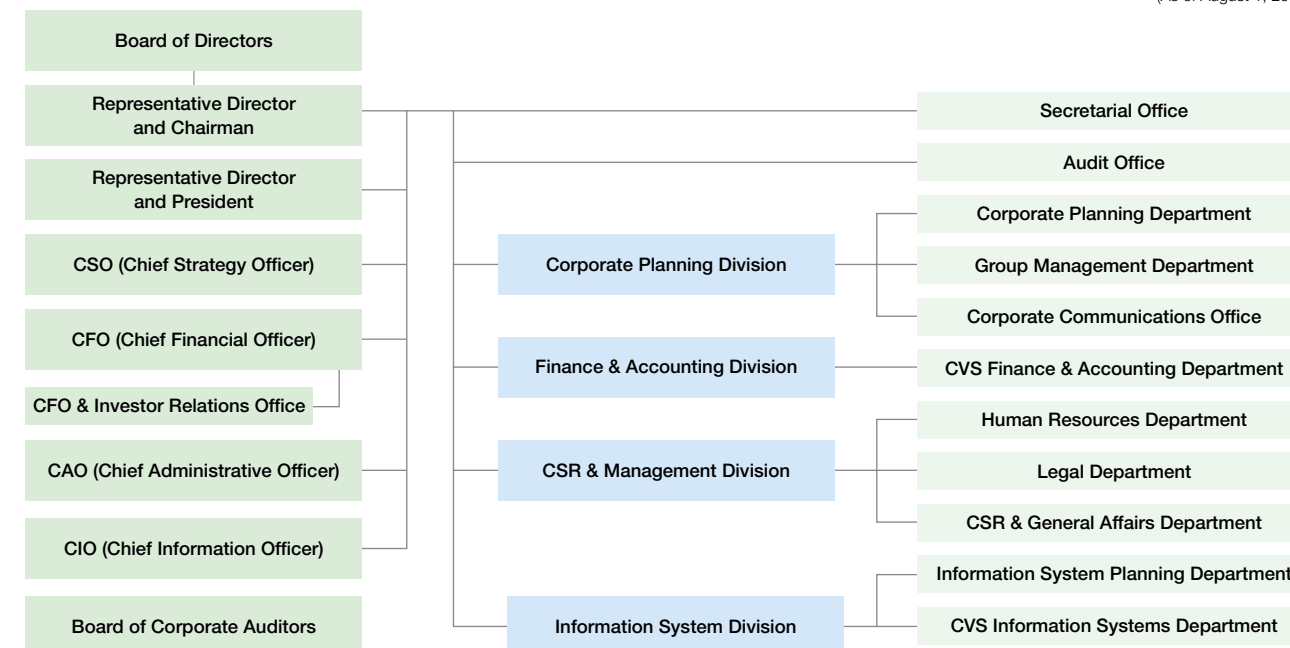
(As of February 28, 2019)



# Organization

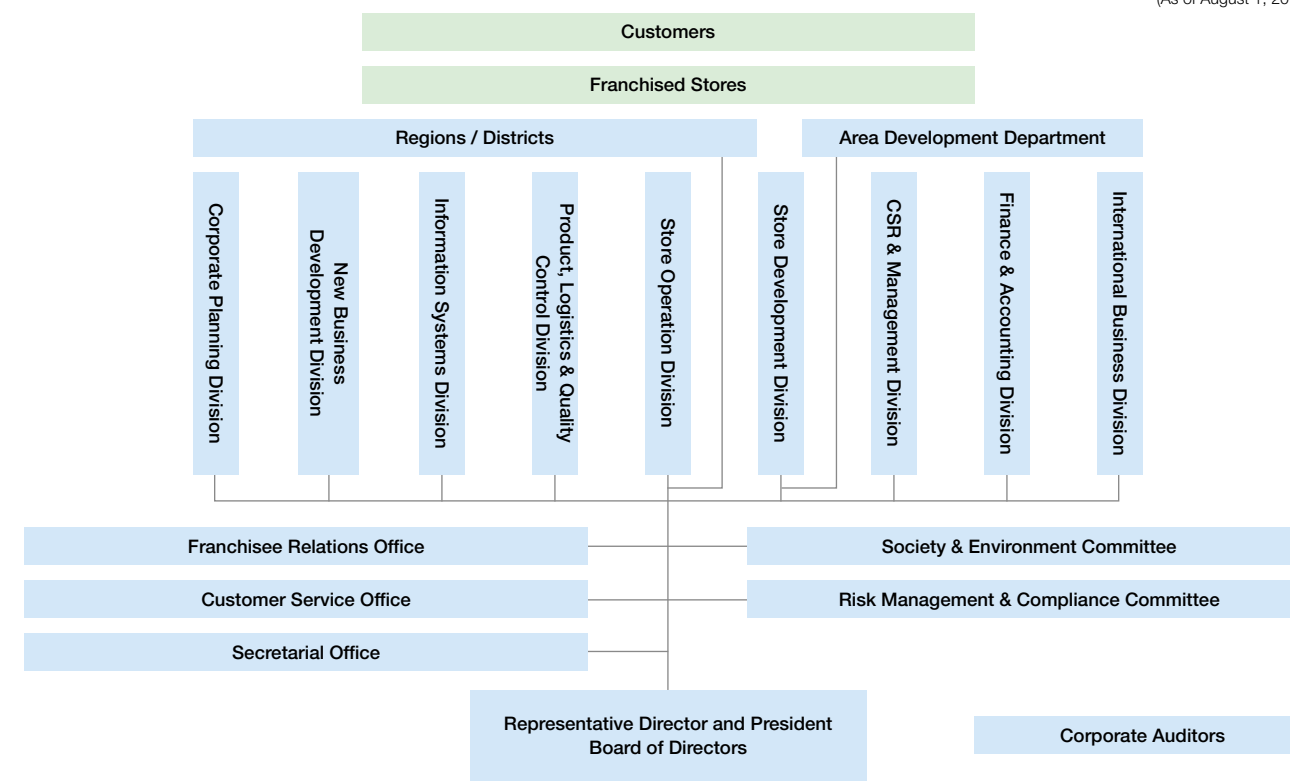
## FamilyMart UNY Holdings Co., Ltd.

(As of August 1, 2019)



## FamilyMart Co., Ltd.

(As of August 1, 2019)



### Voluntary Adoption of International Financial Reporting Standards (IFRS)

FamilyMart UNY Holdings Co., Ltd., decided to voluntarily adopt the International Financial Reporting Standards (IFRS) starting with its securities report for the fiscal year ended February 28, 2017. Performance data (including forecasts) contained in this report is disclosed in accordance with IFRS unless otherwise specifically stated.

### Cautionary Statement

This report contains forward-looking statements, including the Company's strategies, future business plans, and projections. Such forward-looking statements are not based on historical facts and involve known and unknown risks and uncertainties that relate to, but are not necessarily confined to, such areas as economic trends and consumer preferences in Japan and abrupt changes in the market environment. Accordingly, the actual business performance of the Company may substantially differ from the forward-looking statements in this report.