

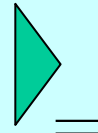
Presentation to Investors June 2007



“FamilyMart, Where You Are One of the Family”

Summary of Financial Results (Year ended Feb. 2007) -No.1

- Inauguration of second-phase structural reform
 - Remodeling sales displays and product lineups
 - Strengthening earnings structure
 - Improving cost structure
 - Transforming corporate culture
- Strengthening support for franchisees



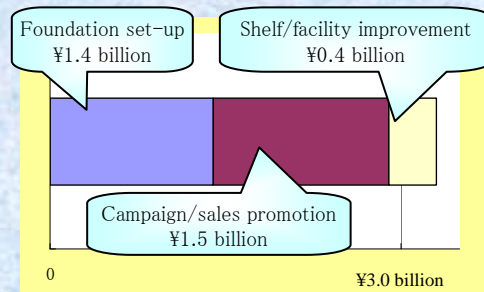
Reform of store chain infrastructure

The year for creating a stronger business foundation

Strengthen support for franchisees

Expenses amounted to over ¥3 billion

Breakdown of increase in franchisee support expenses



New store management system

- Foundation set-up
 - Installation of new store management system
 - Adoption of 2FC-N contract
- Campaign/sales promotion
 - FIFA World Cup
 - 25th anniversary campaign
 - Sales promotion expenses
- Shelf/facility improvement
 - Famima Fresh corners
 - Shelves for MUJI brand products

Summary of Financial Results (Year ended Feb. 2007) -No.2

Causes of failure to reach operating income target

●**Non-consolidated** :

Failure of operating revenues to reach target; increase in expenses for support of franchisees

●**Consolidated** : Target shortfalls by Thailand and Taiwan area franchisers

Consolidated	(Millions of Yen)		
	07/2	06/2	Change(%)
Total operating revenues	297,849	276,443	7.7
Selling, general and administrative expenses	159,401	147,147	8.3
Operating income	29,609	32,662	(9.3)
Net income	14,969	14,195	5.4

Business performance (Non-consolidated)

	07/2	06/2	Change
Average daily sales of total stores (Thousands of yen)	464	468	-4
Growth rate of average daily sales of existing stores (%)	(1.4)	(1.6)	+0.2 percentage points
Gross profit ratio (%)	28.95	28.77	+0.18 percentage points
Average daily sales of new stores (Thousands of yen)	406	418	-12
Store openings	586	606	-20
Store closures	369	316	+53

Non-consolidated	(Millions of Yen)		
	07/2	06/2	Change(%)
Total net sales of FM stores	1,068,822	1,031,736	3.6
Total operating revenues	194,080	184,065	5.4
Selling, general and administrative expenses	131,518	123,098	6.8
Operating income	27,542	29,781	(7.5)
Net income	13,774	10,365	32.9

Number of stores

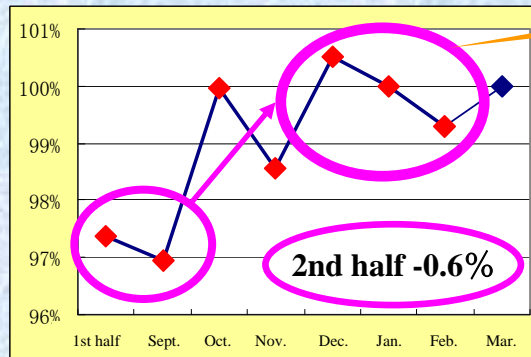
	07/2	06/2	Change
FamilyMart stores(Non-consolidated)	6,501	6,284	+217
Total stores in Japan(Including domestic area franchising stores)	6,974	6,734	+240
Total stores overseas(Overseas area franchising stores)	6,148	5,718	+430
Total chain stores(Japan and overseas)	13,122	12,452	+670

Strategy Review

Sales

YoY growth rate of aggregate sales of entire chain: 3.6%
 Growth rate of average daily sales of existing stores: -1.4%

Growth rate of average daily sales of existing stores



4th Qtr. At same level as previous term

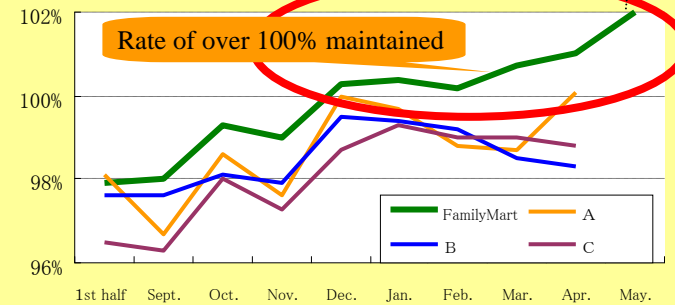
- [1st half]
- Unseasonable summer weather
 - Year-on-year decline due to ending of sale of highway cards (Sept. 2005)
- [2nd half]
- Effects of low temperatures in 3rd quarter
 - Relatively warm weather causes sluggish sales of winter foods

2nd half -0.6%

Number of Customers

Number of customers visiting our stores (existing store basis)

Flash Report



Rate of over 100% maintained

- Penetration of campaigns to promote the FamilyMart brand
- Major growth in number of holders of Famima Card

Store Development

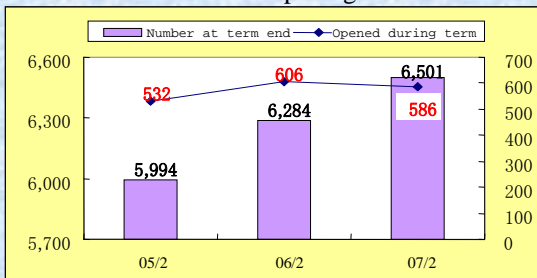
FamilyMart completes nationwide store network to make possible a "universal service" throughout the whole country

Store openings: 586 stores (YoY -20 stores)

Average daily sales of new stores:

406,000 yen (YoY -12,000 yen)

Store Openings



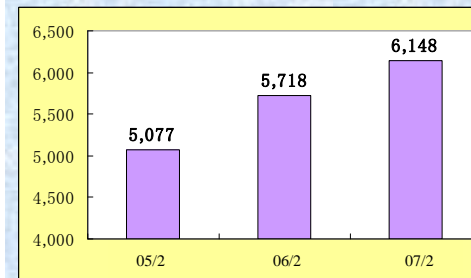
- Proportion of new stores opened in three major metropolitan areas reduced due to deterioration in profitability
- Increase of suburban stores
- Steps taken to protect existing areas of market dominance

Overseas Operations

Total stores overseas: 6,148 stores (YoY +430 stores)

Total chain stores: 13,122 stores (YoY +670 stores)

Number of total stores overseas



Entry into Guangzhou market (Jan. 2007)



- Thailand: Growth recorded in average daily sales on an aggregate basis; additional investments made to strengthen financial position
- Taiwan: Unforeseen impacts from adverse economic and weather factors

Basic Strategy for the Year Ending Feb. 2008

**The year for creating a stronger business foundation,
leading to healthy earnings in the future**

**Pave the way for a steady upward trend in both revenues and
earnings from 2/2009 term onwards**

Maintain support for franchisees

- Further expansion of chain infrastructure (in particular, the store management system)
- Make strategic investments for improved earnings

Bearing fruits

- Investments made in infrastructure up to 2/2007 term now bearing fruit
- Maintaining activities to establish the FamilyMart brand

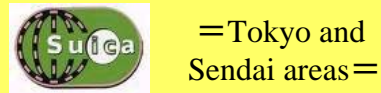
Continue second-phase structural reform

Major Policies for the Year Ending Feb. 2008 -No.1

Enhancing store competitiveness

~ Full-scale operation of new store management system ~

E-money



Famima Card

- Expand number of Famima Card holders
- Card points-sharing tie-up with Culture Convenience Club group

Providing “universal services” nationwide

- Maximizing usage of network of approximately 7,000 stores nationwide, and broadband network

Accelerating management reforms

- Raising accuracy of ordering by individual stores
- Realizing more efficient store operations

Strengthening merchandising

More emphasis on three product marketing concepts ~ generation, price, regional ~

- Good balance in terms of price in product selection; innovation in the convenience store ready-to-eat foods field

Promotion of store-by-store products according to local needs

● Famima Wonder Corners

- Unified developments of Famima Wonder Corners, with an increase in number of stores with these corners

● Famima Fresh Corners

- Famima Fresh Corners installed in 500 stores in Kanto region as of end of Feb. 2007
- Plans call for expansion to 1,000 stores including in the Chubu and Kansai regions



Famima Fresh Corner sales display

Demand chain management (DCM) systems

- Cost reductions through greater efficiency in merchandising, procurement, and distribution to stores

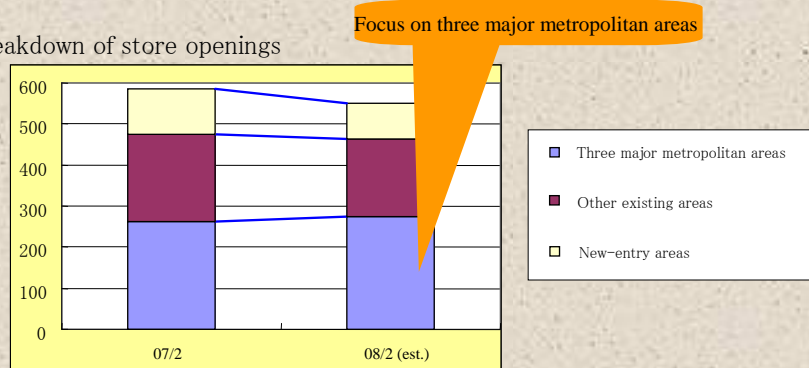
Growth rate of average daily sales of existing stores: 0.2% (number of customers +12)/Gross profit ratio: 29.40%

Major Policies for the Year Ending Feb. 2008 -No.2

Creating high-quality stores

- Further reinforcing our dominance based on area strategies differing for each prefecture
- Applying stricter conditions for opening new stores; establishment of section at Head Office to investigate prospective sites for more effective site screening

Breakdown of store openings



Left: Famima!! Sunshine store in Tokyo
Above: Store in Osaka Center Building

550 store openings /
average daily sales of new stores : 430,000 yen

Overseas operations

Number of stores			
	07/2	08/2 (est.)	Change
Japan	6,974	7,210	+236
Overseas	6,148	6,583	+435
Taiwan	2,023	2,102	+79
South Korea	3,471	3,871	+400
Thailand	538	458	-80
China	104	133	+29
U.S.A.	12	19	+7
Total	13,122	13,793	+671

- Accelerating business performance improvement in Thailand
- Preparing for franchise operations in the US
- Steady growth in South Korea and Taiwan



[Famima!!]

6,583 overseas stores targeted by end of Feb. 2008

Business Performance Forecasts for the Year Ending Feb. 2008

Prospects for 2/2009 term and after

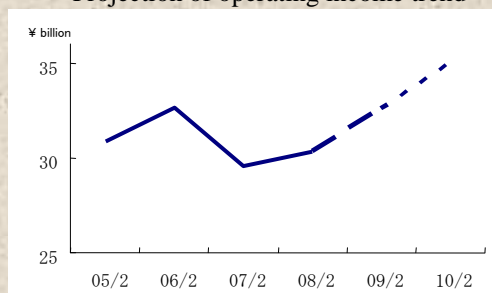
● Non-consolidated

- Forward-looking investment initiative in support of large-scale franchisees will have run its course
- Investments will start to bear fruit, leading to advantage over rival chains

● Consolidated

- Improvement seen in earnings of overseas operations

Projection of operating income trend



Capital strategy

- Dividend decisions to be based primarily on consolidated business performance
 - Payout ratio target to be linked to consolidated performance
 - Dividend payments more closely linked to the performance for the period
- Implementation of flexible capital strategy
 - Repurchase of own shares

Consolidated	(Millions of Yen)		
	08/2 (est.)	07/2	Change (%)
Total operating revenues	305,200	297,849	2.5
Operating income	30,300	29,609	2.3
Net income	15,200	14,969	1.5

Non-consolidated	(Millions of Yen)		
	08/2 (est.)	07/2	Change (%)
Total net sales of FamilyMart stores	1,121,000	1,068,822	4.9
Total operating revenues	202,500	194,080	4.3
Operating income	27,600	27,542	0.2
Net income	14,100	13,774	2.4

Business performance (Non-consolidated)

	08/2 (est.)	07/2	Change
Average daily sales of total stores (Thousands of yen)	471	464	+7
Growth rate of average daily sales of existing stores (%)	0.2	(1.4)	+1.6 percentage points
Gross profit ratio (%)	29.40	28.95	+0.45 percentage points
Average daily sales of new stores (Thousands of yen)	430	406	+24
Store openings	550	586	-36
Store closures	350	369	-19

Number of FamilyMart Stores (Non-consolidated)

	08/2 (est.)	07/2	Change
Stores at term-end	6,701	6,501	+200