



August 14, 2020

Company name: FamilyMart Co., Ltd.
Representative: Takashi Sawada, President and
Representative Director
(Code: 8028, Tokyo Stock
Exchange First Section)

Statement Regarding the Company by Oasis Management Company Ltd.

FamilyMart Co., Ltd. (the “**Company**”) hereby announces that a request has been made by Oasis Management Company Ltd. to the board of directors of the Company for a special dividend where the record date is prior to the settlement of the Tender Offer in connection with the Tender Offer for common shares of the Company by Retail Investment Company LLC, in which ITOCHU Corporation and Tokyo Century Corporation are shareholders (the “**Tender Offer**”), which was announced on July 8, 2020. The Company took the opinions of all of our shareholders very seriously, and the directors in charge of negotiations at the Company have therefore considered the proposal concerning the distribution of a special dividend, while also having consulted with the Special Committee. The directors in charge of negotiations at the Company have indicated that the Company does not wish to distribute a special dividend for various reasons such as the fact that (i) the special dividend could change the current structure of the Tender Offer where the Company expressed its position on the price offered in the Tender Offer (the “**Tender Offer Price**”) in specific and detailed terms, the Company did not recommend that its shareholders tender their shares in the Tender Offer and it left the decision of whether to tender shares in the Tender Offer to the shareholders, and therefore that could cause confusion for the shareholders and (ii) an unplanned outflow of funds could cause issues with the implementation of the measures that are planned to follow the completion of the Tender Offer, which the Company has supported. In response, the Company obtained an answer from the Special Committee that it would be appropriate to not distribute the special dividend for the same reasons. Accordingly, the Company has decided as of the date hereof to not distribute the special dividend.

Further, as the Company stated when it expressed its opinion at the time of the announcement of the Tender Offer, although the Tender Offer Price of JPY 2,300 has a certain level of reasonableness from the perspective of providing the general shareholders of the Company an opportunity to earn a return on their investments and it cannot be recognized that the Tender Offer Price lacks validity, the Tender Offer Price is not at a level where the Company can actively recommend that its general shareholders should tender their shares in the Tender Offer, so the Company cannot go so far as to recommend that its shareholders tender their shares in the Tender Offer and it has decided to leave the decision of whether to tender shares in the Tender Offer to the shareholders.

At the same time, the Company has endorsed the Tender Offer because in the retail industry, which is experiencing rapid changes in market conditions and intensifying competition across business types, it is believed making the Company private is necessary to contribute to the improvement of the corporate value of the Company over the medium to long term by pursuing a transformation to a new business model that will revolutionize the traditional value chain because that will allow the smooth and effective implementation of close cooperation and collaborations between the Company Group and other companies in the ITOCHU Group and their closely related parties.

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