

Notice of Convocation of the 34th Ordinary General Meeting of Shareholders

Date and Time:

10 a.m., Wednesday, May 27, 2015

Venue:

“Fuji” Hall on the 3rd Floor, Hotel Metropolitan,
6-1, Nishi-Ikebukuro 1-chome, Toshima-ku, Tokyo

* Please note that the venue has changed from the previous year.

Resolution Items:

No. 1: Partial Amendments to the Articles of Incorporation

No. 2: Election of Ten Directors

No. 3: Election of One Corporate Auditor

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FamilyMart Co., Ltd.

Securities Code: 8028

To All Shareholders

Isamu Nakayama
President and Chief Executive Officer
FamilyMart Co., Ltd.
1-1, Higashi-Ikebukuro 3-chome,
Toshima-ku, Tokyo, Japan

Notice of Convocation of the 34th Ordinary General Meeting of Shareholders

Dear Shareholder:

This is to inform you that the Ordinary General Meeting of Shareholders (“Meeting”) for the 34th Term will be held as described below and to request your attendance at the Meeting.

In the event that you are unable to attend the Meeting, please see the “Reference Document for the General Meeting of Shareholders” provided below; you may exercise your voting rights either in writing or via the Internet, etc.

Exercise of Voting Rights in Writing or via Electromagnetic Method (the Internet, etc.)

Exercise of voting rights in writing

Please indicate your approval or rejection of the respective agenda on the Voting Rights Exercise Form enclosed herewith, and return the form no later than 6 p.m. on Tuesday, May 26, 2015.

Exercise of voting rights electronically (the Internet, etc.)

Please refer to the “Exercise of Voting Rights via the Internet” enclosed herewith and register your approval or rejection of the respective agenda on the website (<http://www.web54.net>), etc., by 6 p.m. on Tuesday, May 26, 2015.

1. Date and Time: 10 a.m., Wednesday, May 27, 2015
2. Venue: “Fuji” Hall on the 3rd Floor, Hotel Metropolitan,
6-1, Nishi-Ikebukuro 1-chome, Toshima-ku, Tokyo
3. Agenda:
Reporting Items:
 1. Report on the business report, consolidated financial statements for the 34th fiscal year (from March 1, 2014, through February 28, 2015), and the Audit Results Reports of the Independent Auditors and the Board of Corporate Auditors for the consolidated financial statements
 2. Report on the financial statements for the 34th fiscal year (from March 1, 2014, through February 28, 2015)

Resolution Items:

No. 1: Partial Amendments to the Articles of Incorporation

No. 2: Election of Ten Directors

No. 3: Election of One Corporate Auditor

Notes:

1. When you attend the Meeting, please present the enclosed Voting Rights Exercise Form at the reception desk.
2. If you exercised your voting rights both via the Internet, etc. and in writing, only your vote exercised via the Internet shall be counted. If you exercised your voting rights via the Internet, only your last vote shall be counted.
3. Notes to the Consolidated Financial Statements and Notes to the Financial Statements are provided on the Company website (<http://www.family.co.jp/>), pursuant to the provisions of applicable laws and regulations as well as Article 15 of the Company's Articles of Incorporation.
4. This Notice of Meetings does not include a complete set of the Consolidated Financial Statements and the Financial Statements audited by Corporate Auditors and Independent Auditors in preparing this notice of convocation.
5. Should any revisions be made to the business report, consolidated financial statements, financial statements, and/or Reference Document for the General Meeting of Shareholders, such changes will be posted on the Company's website (<http://www.family.co.jp/>).

This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Business Report

(March 1, 2014, through February 28, 2015)

1. Current Situation of the Corporate Group

(1) Progress and Results of Operations

During the fiscal year ended February 28, 2015, the income environment in Japan followed an improving trend, due in large part to increases in basic wage rates, mainly in large corporations. However, the rise in the consumption tax rate had an adverse effect, and prices, including those for foodstuffs, daily necessities, and other lifestyle-related products, rose against a backdrop of the depreciation of the yen. Consequently, the pace of recovery in consumer sentiment in Japan slowed and conditions in the retail industry remained challenging.

In this environment, guided by the key phrase “FamilyMart—Succeeding by Taking on Challenges,” FamilyMart Co., Ltd. (hereinafter the “Company” or “FamilyMart”) endeavors to improve “quality” for customers by focusing on three specific targets in the domestic business area: 1) “Advantage of store preconditions” to promote investments in new stores, which will considerably contribute to future earnings of the Company, and proactive investments in fixtures at existing stores for the renovation of their sales floors; 2) “Excellent merchandise” to raise product quality and diversify the product portfolio; and 3) SQC (Service, Quality, Cleanness), the basics of store management.

With regard to overseas business, in the emerging countries mainly in Asia, we strive to expand the store network via aggressive store development in regions where FamilyMart stores are already located and maximize sales through product development and product portfolio in tune with local features by implementing business models that leverage our know-how accumulated as a Japan-originated convenience chain and with IT systems.

As of February 28, 2015, the stores operated in Japan totaled 11,328, including 814 stores operated by four domestic area franchisers. The stores operated overseas totaled 5,642 as of the same date, which included all the stores operated in Taiwan, Thailand, China, the United States, Vietnam, Indonesia, and the Philippines. Consequently, the aggregate of FamilyMart chain stores worldwide, which consists of domestic and overseas FamilyMart chain stores, was 16,970.

As a result, total operating revenues of the Company and its consolidated subsidiaries for the year under review increased by 8.3% year over year to ¥374,430 million, but operating income decreased by 6.7% to ¥40,417 million and ordinary income fell by 10.1% to ¥42,520 million. However, net income increased by 13.5% to ¥25,672 million on a consolidated basis, mainly due to the sales of the shares of BGFretail Co., Ltd., which had been an associated company of the Company accounted for by the equity method.

Operating results by business segment were as follows:

Domestic business

(Store Development)

In store development, we promoted aggressive store openings in Japan's three major metropolitan areas of Tokyo, Osaka, and Nagoya and provincial core cities. In addition, FamilyMart strengthened its initiatives with railway operators and accelerated store openings in new markets such as in-station shops. Furthermore, we opened new integrated stores that combine convenience stores with a variety of other retail formats, such as drug stores, pharmacies, supermarkets, restaurants, and karaoke boxes. These initiatives to expand our store network resulted in 1,120 openings (including 59 stores newly opened by the four domestic area franchisers), with a net increase of 781 stores (including 47 stores by the four domestic area franchisers).

(Merchandise)

As for merchandise, we endeavored to develop *Nakashoku* (ready-to-eat meals) and other original products and take steps to improve quality. Moreover, to ensure that our products can be enjoyed by a wider range of customers, we expanded the lineups of the FAMIMA PREMIUM Series, which offers upgraded authentic menu items and the "FamilyMart collection" private brand. In fast foods (FF), a focus category, FamilyMart added the Iced Blend S and Blend L sizes under the FAMIMA CAFÉ fresh-ground coffee lineup, and added the Café Frappe frozen coffee, and the Chocolate Latte chocolate drinks to improve sales and profits by diversification and differentiation of menus.

(Store Operation)

In store operation, with efforts to substantially renovate sales floors through unprecedented investment in existing stores, FamilyMart promoted sales floor merchandising by expanding its lineups of frozen food and ice cream through the introduction of strategic fixtures, such as flat showcases for frozen items, to increase customers' store visits and sales. Moreover, we continue to train store staff through the "Store Staff Total (SST) System," our original human resource development system, to be the leading quality company in the industry with "high-quality services" by respecting every human contact with customers.

(Promotion)

As for sales promotion, more than 100,000 FamilyMart store staff nationwide wore replica uniforms to support the Japan national team in line with the 2014 FIFA World Cup Brazil in June 2014. In addition, as part of the "WE ARE SUPPORTERS" project, we offered highly topical content, including official recognition by the Guinness Book of Records of our "Online Montage," which combined 9,390 photo pieces of more than 30,000 supporters. We also conducted diverse promotions throughout the year, including collaboration projects, in which popular characters and entertainers are employed such as HATSUNE MIKU, a virtual singer; and the "E-girls," a girls' entertainment group, both representing FamilyMart's well-known features.

(Service)

With regard to services, FamilyMart radically reviewed the membership and point collection schemes of the Famima T Card, starting from July 2014. While the Famima T Card has to date been used as a credit card, we newly provided point cards, which can be issued immediately at each store, and a point ranking system has also been introduced, under which the shopping point rate following purchases changes according to the level of spending, which is the first of its kind among major convenience stores, all of which are measures to increase customer traffic. Furthermore, in November 2014, we installed Japan Post ATMs at approximately 500 stores in the metropolitan areas of Tokyo and Osaka in cooperation with Japan Post Bank Co., Ltd., to enhance the convenience of our customers.

(Social Contribution Programs)

In social contribution programs, we conduct "store donations", "emergency disaster relief", "volunteer activities" and "contributions to local communities with stores that have local 'safe areas'." Meanwhile, in order to carry out our mission as a lifeline supporter (a vital part of the neighborhood infrastructure) that provides daily necessities in case of a disaster, the Company entered into the "Agreement Concerning the Supply of First-Aid Commodities of Life in Case of Disaster" with 69 local municipalities and the

“Agreement Concerning Support to Persons Who Find It Difficult to Return Home” with 41 local municipalities, as of February 28, 2015. Furthermore, we opened 24-hour convenience stores in Miyakoji Village, Tamura, an Evacuation Directive Lift Area; and Naraha Town, Futaba-gun, an Evacuation Directive Lift Prepared Area, both of which are located in Fukushima Prefecture, as part of our initiatives to promote the reconstruction of disaster-affected areas.

As a result, total operating revenues of the domestic business segment increased by 7.5% year over year to ¥327,342 million, while net income decreased by 23.1% to ¥14,885 million.

Overseas business

In the overseas business area, our basic business format is the joint venture, according to which the Company participates in corporate management through joint capital investment with local partners. We strive to maximize the profit income and dividend income from these joint companies and ensure royalty income through the provision of know-how and support activities associated with licensing.

Taiwan

In Taiwan, we promoted the openings of *Nakashoku*-reinforced type stores, which have an in-store eat-in corner space, and a Build and Scrap (B&S) scheme to help our franchisees adapt to recent market changes in the pursuit of a high-quality store network. We also took steps to increase sales and differentiate our product lineup by expanding our FF counter products, such as soft ice-cream and waffles, and by increasing the lineup of our “FamilyMart collection” brand.

Thailand

In Thailand, given the lower-than-projected number of visiting customers affected by the political uncertainty that occurred early in the fiscal year under review, we endeavored to improve the capacity of onsite store management centering on SQC by reviewing store operations, such as product portfolio and ordering instructions. In addition, we carefully selected locations for new store openings where high daily turnover can be expected and closed several unprofitable stores ahead of schedule to address the restructuring of our store network. Meanwhile, we continuously enhanced the procurement of raw materials and product development through leveraging of synergies from the tie-up with our local partner Central Retail Corporation Limited, the largest general retailer in Thailand.

China

In China, we accelerated the opening of stores in regions where we have an established presence, such as Shanghai, Guangzhou, Suzhou, Hangzhou, Chengdu, Shenzhen, and Wuxi. In addition, we moved into new regions, opening our first stores in Beijing in September 2014 and in Dongguan in October the same year, working to expand our store network in China.

Furthermore, we recorded higher sales of *Nakashoku* products, such as *bento* boxed lunches and *Sozai* (prepared dishes), and we continued to convert directly managed stores to franchise stores. Consequently, profitability in China improved substantially.

As a result, total operating revenues of the overseas business segment increased by 14.6% year over year to ¥47,088 million and net income surged 231.1% to ¥10,786 million.

(unit: Millions of yen)

Business Segment	Total Operating Revenues	Net Income
Domestic	327,342	14,885
Overseas	47,088	10,786

(2) Capital Expenditures

The capital expenditures of the FamilyMart Group during the year are presented in the table below. A total of ¥111,717 million in capital expenditures were primarily used for store investments, such as new store openings and the renovation of existing stores in the Japan business.

The breakdown of the capital expenditures in the domestic business was ¥58,099 million for new openings, repairs, and renovations of stores, etc.; ¥27,655 million for leasehold deposits for store leases; and ¥13,535 million for investments related to information systems.

(unit: Millions of yen)

Business Segment	Amount Invested
Domestic	99,290
Overseas	12,427
Total	111,717

(3) Our Tasks Ahead

The economic prospects for the next fiscal term indicate that the future of the retail industry is expected to remain unclear in view of concerns about consumer confidence following the rise in prices, although the underlying trend of economic recovery is anticipated to continue given the ongoing improvement in corporate profits and the employment situation against the backdrop of new economic policies and the continuation of monetary easing measures.

In these circumstances, FamilyMart will focus on the fulfillment of the roles and functions that customers request of convenience stores as it is engaged in social and livelihood infrastructure businesses and strives to be the preferred convenience chain through hospitality-based behavior with proposals to offerings that enrich consumers' minds in addition to convenience.

① Domestic Business

In the domestic business area, the Company will further improve franchiser functions to increase the growth potential and earnings-creation capabilities of all the franchised chain stores.

The convenience store industry is now shifting from the era of pursuing convenience to that of creating and providing customer value. To lead the forthcoming epoch, FamilyMart must firmly establish a new convenience store image that will ensure its sustainable growth. As the central core of local communities, FamilyMart will endeavor to further improve corporate value by providing customers with impressive products and services in accordance with the strategic theme of "Fun & Fresh" and the value of "Joyful and New" to help customers create new lifestyles.

As for store development, we will focus on store openings in the three major metropolitan areas and on improving the efficiency of our dominant position in other areas. Meanwhile, we will enhance the B&S scheme and increase the ratio of integrated stores to establish a high-quality store network.

As for merchandise, to ensure an increasingly satisfying diversified product portfolio, we will pursue developing original products, including *Nakashoku* products that serve customers' livelihoods and improving product quality through detailed analysis of customer needs by generation and gender. Moreover, we aim to raise the number of customers to overall chain stores by expanding the number of items and product lineups of the "FamilyMart collection" brand.

In store operation, we intend to attract customers and increase sales by maximizing the effects of the large-scale sales floor innovation via proactive investments in existing stores to strengthen the competitiveness of individual stores, including the introduction of strategic fixtures, such as flat showcases for frozen items, which was introduced during the fiscal year ended February 28, 2015, and further expansion of the product portfolio. In addition, we will also upgrade the SQC level by leveraging the SST system to be the leading quality company in the industry. Furthermore, as for the Famima T Card, of which the number of cardholders reached 6.99 million, we intend to promote customers' subscriptions as members for the distribution-type point cards and strive to improve our ability to attract customers by reinforcing alliances with the T Point collaborating companies.

In other domestic business operations, famima.com will accelerate its comprehensive strategy centering on the entertainment business, for example, by reinforcing collaborations with various entertainment operators not only to expand ticket sales but also to increase sales of related products at storefronts and on the "famima.com" Internet shopping website. Meanwhile, SENIOR LIFE CREATE will accelerate store openings in untapped areas and expand the breakfast delivery service.

At the Board of Directors' meeting held on March 10, 2015, the Company resolved the consultations with UNY Group Holdings Co., Ltd., toward management integration, which started based on an equal footing approach. The consultations will be continued in the pursuit of becoming an enterprise that contributes to customers, franchisees, business partners, shareholders, and employees by consolidating both companies' management resources through this business integration.

Meanwhile, the Company agreed that the joint venture agreement with Seico Fresh Foods Co., Ltd. be dissolved as of March 26, 2015. The Company has become the main business entity operating the FamilyMart stores in the Hokkaido region with the aim of ensuring quality services, and swiftly and steadily expanding the store network. Meanwhile, FamilyMart will continue to have good relations with Seico Fresh Foods in terms of merchandise trade and logistics.

② Overseas Business

In the overseas business, we intend to expand the store network using business models that leverage our know-how accumulated as a Japan-originated convenience store chain and with IT systems. Meanwhile, in the regions where FamilyMart stores are already located, we will reestablish our business schemes in response to local markets and social environments and strengthen the business base. At the same time, we will promote a global branding activity by expanding sales areas subject to the "FamilyMart collection" brand.

(4) Changes in Operating Results and Financial Position

(unit: Millions of yen)

Fiscal Term \ Category	31st Term (Year ended February 2012)	32nd Term (Year ended February 2013)	33rd Term (Year ended February 2014)	34th Term (Year ended February 2015)
Corporate Group:				
Total operating revenues	329,218	334,087	345,603	374,430
Ordinary income	44,810	45,410	47,315	42,520
Net income	16,584	25,020	22,611	25,672
Net income per share (yen)	174.70	263.57	238.19	270.45
Total assets	472,822	526,758	588,136	666,244
Total equity	225,939	247,755	265,458	284,829
Equity per share (yen)	2,299.14	2,515.61	2,686.37	2,872.40

Notes:

- Effective from the 31st term (year ended February 29, 2012), the “Accounting Standard for Asset Retirement Obligations” (the Accounting Standards Board of Japan (ASBJ) Statement No. 18 issued on March 31, 2008) and the “Guidance on Accounting Standard for Asset Retirement Obligations” (ASBJ Guidance No. 21 issued on March 31, 2008) have been applied.
- Pursuant to the “Accounting Standard for Retirement Benefits” (ASBJ Statement No. 26, *Accounting Standard for Retirement Benefits*, issued on May 17, 2012) and the “Guidance on Accounting Standard for Retirement Benefits” (ASBJ Guidance No. 25, *Guidance on Accounting Standard for Retirement Benefits*, issued on May 17, 2012), which became applicable from the beginning of the fiscal year starting on and after April 1, 2013, the standards have been applied effective from the beginning of the fiscal year under review.
- SENIOR LIFE CREATE Co., Ltd., a consolidated subsidiary with financial statements based on the provisional closing of accounts in preparing consolidated financial documents up to the 33rd fiscal term, has changed its closing date from March 31 to the end of February effective from the year under review. As a result of this change, the 14 month-period from January 1, 2014, to February 28, 2015, was subject to consolidation with regard to the fiscal year ended February 28, 2015.

(unit: Millions of yen)

Fiscal Term \ Category	31st Term (Year ended February 2012)	32nd Term (Year ended February 2013)	33rd Term (Year ended February 2014)	34th Term (Year ended February 2015)
The Company:				
Total store sales	1,534,652	1,584,558	1,721,962	1,860,176
Total operating revenues	274,449	270,919	287,443	301,917
Ordinary income	40,650	41,470	40,743	37,160
Net income	14,321	24,186	21,402	28,697
Net income per share (yen)	150.86	254.78	225.46	302.32
Total assets	422,516	464,849	508,586	569,739
Total equity	211,501	228,696	240,717	261,827
Equity per share (yen)	2,227.94	2,409.15	2,535.83	2,758.27

Notes:

- Effective from the 31st term (year ended February 29, 2012), the “Accounting Standard for Asset Retirement Obligations” (ASBJ Statement No. 18 issued on March 31, 2008) and the “Guidance on Accounting Standard for Asset Retirement Obligations” (ASBJ Guidance No. 21 issued on March 31, 2008) have been applied.

2. Pursuant to the “Accounting Standard for Retirement Benefits” (ASBJ Statement No. 26 issued on May 17, 2012) and the “Guidance on Accounting Standard for Retirement Benefits” (ASBJ Guidance No. 25 issued on May 17, 2012), which became applicable from the beginning of the fiscal year starting on and after April 1, 2013, the standards have been applied effective from the beginning of the fiscal year under review.

(5) Data of Important Subsidiaries

(i) Important Subsidiaries

Company Name	Capital	Percentage of Voting Rights Held by the Company (%)	Main Business
Taiwan FamilyMart Co., Ltd.	2,232 million (Taiwanese dollars)	47.44	Convenience store business
FAMIMA CORPORATION	US\$12 million	100.00	Convenience store business
famima Retail Service Co., Ltd.	¥300 million	100.00	Store-related service businesses, including accounting data processing
famima.com Co., Ltd.	¥400 million	54.25	EC-related business
SENIOR LIFE CREATE Co., Ltd.	¥280 million	82.83	Food delivery service business
JOYOUS FOODS CO., LTD.	¥50 million	100.00	Food manufacturing business

Notes:

- The percentage of voting rights held by the Company (%) includes indirect shareholdings.
- JOYOUS FOODS CO., LTD. has been included as a subsidiary of the Company effective from the year under review.

(ii) Important Associated Companies

Company Name	Capital	Percentage of Voting Rights Held by the Company (%)	Main Business
Okinawa FamilyMart Co., Ltd.	¥49 million	48.98	Convenience store business
Minami Kyushu FamilyMart Co., Ltd.	¥80 million	49.00	Convenience store business
Hokkaido FamilyMart Co., Ltd.	¥200 million	49.00	Convenience store business
Central FamilyMart Co., Ltd.	575 million (Thai baht)	48.20	Convenience store business
Shanghai FamilyMart Co., Ltd.	486 million (Chinese yuan)	Note ⁵	Convenience store business
Guangzhou FamilyMart Co., Ltd.	206 million (Chinese yuan)	Note ⁵	Convenience store business
Suzhou FamilyMart Co., Ltd.	US\$8 million	Note ⁵	Convenience store business
Hangzhou FamilyMart Co., Ltd.	US\$4 million	Note ⁵	Convenience store business
Chengdu FamilyMart Co., Ltd.	US\$3 million	Note ⁵	Convenience store business
Shenzhen FamilyMart Co., Ltd.	US\$1 million	Note ⁵	Convenience store business
Wuxi FamilyMart Co., Ltd.	US\$1 million	Note ⁵	Convenience store business
Beijing FamilyMart Co., Ltd.	US\$6 million	Note ⁵	Convenience store business
DONGGUAN FamilyMart Co., LTD.	US\$1 million	Note ⁵	Convenience store business
Philippine FamilyMart CVS, Inc.	744 million (Filipino peso)	37.00	Convenience store business
Pocketcard Co., Ltd.	¥14,374 million	15.02	Credit card business

Notes: 1. The percentage of voting rights held by the Company (%) includes indirect shareholdings.

2. Effective from the year under review, Wuxi FamilyMart Co., Ltd., Beijing FamilyMart Co., Ltd., and DONGGUAN FamilyMart Co., LTD., have been included as associated companies accounted for by the equity method.
3. BGFretail Co., Ltd. was excluded from the category of associated companies accounted for by the equity method because the Company sold all the BGFretail shares that the Company then held in May 2014.
4. ASAHI FOOD PROCESSING CO., LTD., was excluded from the category of associated companies accounted for by the equity method because ASAHI FOOD PROCESSING conducted corporate divestiture in June 2014 and September of the same year.
5. China CVS (Cayman Islands) Holding Corp., an associated company accounted for by the equity method, holds 100% of the voting rights of these companies. FamilyMart China Holdings Co., Ltd., a consolidated subsidiary, holds 40.35% of the voting rights of China CVS (Cayman Islands) Holding Corp.

(iii) Other Important Associated Companies

Company Name	Capital	Percentage of Voting Rights in the Company (%)	Relationship with the Company
ITOCHU Corporation	¥253,448 million	37.04	Gives advice and support to the Company regarding the merchandise supply system of the convenience store business

Note: The percentage of voting rights in the Company (%) includes indirect shareholdings.

(6) Major Operating Bases

(i) Head Office and Others

FamilyMart Co., Ltd. (the Company)	Head office	Toshima-ku, Tokyo
	Sales offices	29 in Tokyo, 16 in Osaka, 12 in Kanagawa, 10 in Aichi, 9 in Chiba, and 100 in other prefectures (a total of 176 offices)
	Training center	Shonan Training Center (Yokosuka, Kanagawa) and 20 others
	Distribution facilities	Tohoku Integrated Distribution Center (Kurokawa-gun, Miyagi), Yamagata Integrated Distribution Center (Higashine, Yamagata) and Fukushima Integrated Distribution Center (Motomiya, Fukushima)
Subsidiaries:		
Taiwan FamilyMart Co., Ltd.		Taipei, Taiwan
FAMIMA CORPORATION		State of California, United States
famima Retail Service Co., Ltd.		Toshima-ku, Tokyo
famima.com Co., Ltd.		Toshima-ku, Tokyo
SENIOR LIFE CREATE Co., Ltd.		Minato-ku, Tokyo
JOYOUS FOODS CO., LTD.		Kodama-gun, Saitama
Associated companies:		
Okinawa FamilyMart Co., Ltd.		Naha, Okinawa
Minami Kyushu FamilyMart Co., Ltd.		Kagoshima, Kagoshima
Hokkaido FamilyMart Co., Ltd.		Chuo-ku, Sapporo, Hokkaido
Central FamilyMart Co., Ltd.		Nonthaburi, Thailand
Shanghai FamilyMart Co., Ltd.		Shanghai, China
Guangzhou FamilyMart Co., Ltd.		Guangzhou, Guangdong, China
Suzhou FamilyMart Co., Ltd.		Suzhou, Chiangsu, China
Hangzhou FamilyMart Co., Ltd.		Hangzhou, Zhejiang, China
Chengdu FamilyMart Co., Ltd.		Chengdu, Szechuan, China
Shenzhen FamilyMart Co., Ltd.		Shenzhen, Guangdong, China
Wuxi FamilyMart Co., Ltd.		Wuxi, Chiangsu, China
Beijing FamilyMart Co., Ltd.		Beijing, China
DONGGUAN FamilyMart Co., LTD.		Dongguan, Guangdong, China
Philippine FamilyMart CVS, Inc.		Makati, Philippines
Pocketcard Co., Ltd.		Minato-ku, Tokyo

Note: In addition to the above, we operate 17 integrated distribution centers, which the Company does not own but that serve as logistics bases for the Company.

(ii) Number of Stores Engaged in the Convenience Store Business (“FamilyMart Chain Stores”)

Number of FamilyMart Chain Stores			
Prefecture	Number of Chain Stores	Prefecture	Number of Chain Stores
Aomori	59	Mie	175
Iwate	107	Shiga	113
Miyagi	249	Kyoto	241
Akita	79	Osaka	1,082
Yamagata	108	Hyogo	412
Fukushima	150	Nara	97
Ibaraki	242	Wakayama	90
Tochigi	168	Tottori	64
Gunma	106	Shimane	63
Saitama	592	Okayama	132
Chiba	528	Hiroshima	216
Tokyo	1,954	Yamaguchi	86

Kanagawa	758	Tokushima	71
Niigata	80	Kagawa	111
Toyama	89	Ehime	125
Ishikawa	96	Kochi	51
Fukui	107	Fukuoka	376
Yamanashi	91	Saga	70
Nagano	138	Nagasaki	146
Gifu	105	Kumamoto	116
Shizuoka	248	Oita	66
Aichi	557		
Total of stores operated by the Company			10,514
Hokkaido FamilyMart Co., Ltd.		Hokkaido	75
Minami Kyushu FamilyMart Co., Ltd.		Miyazaki	100
		Kagoshima	237
Okinawa FamilyMart Co., Ltd.		Okinawa	251
JR KYUSHU RETAIL, INC.		Fukuoka and four other prefectures	151
Total of stores operated by domestic area franchisers			814
Total of stores operated in Japan			11,328
Taiwan FamilyMart Co., Ltd.		Taiwan	2,952
Central FamilyMart Co., Ltd.		Thailand	1,193
Shanghai FamilyMart Co., Ltd.		China	893
Guangzhou FamilyMart Co., Ltd.		China	161
Suzhou FamilyMart Co., Ltd.		China	106
Hangzhou FamilyMart Co., Ltd.		China	55
Chengdu FamilyMart Co., Ltd.		China	36
Shenzhen FamilyMart Co., Ltd.		China	22
Wuxi FamilyMart Co., Ltd.		China	25
Beijing FamilyMart Co., Ltd.		China	5
DONGGUAN FamilyMart Co., LTD.		China	3
FAMIMA CORPORATION		United States	8
FamilyMart Vietnam Co., Ltd./VIET NAM FAMILY CONVENIENCE STORES LIMITED		Vietnam	71
PT. FAJAR MITRA INDAH		Indonesia	21
Philippine FamilyMart CVS, Inc.		Philippines	91
Total of stores operated overseas			5,642
Aggregate of FamilyMart chain stores worldwide			16,970

Note: The FamilyMart stores operated by JR KYUSHU RETAIL consist of 96 stores in Fukuoka Prefecture, 6 in Saga Prefecture, 5 in Nagasaki Prefecture, 23 in Kumamoto Prefecture, and 21 in Oita Prefecture.

(7) Status of Employees

(i) Employees of the Corporate Group

Business Segment	Number of Employees	Increase/Decrease from the Previous Year-End
Domestic	4,712 (3,494)	+667
Overseas	2,569 (2,033)	+241
Total	7,281 (5,527)	+908

Note: The number of employees does not include part-timers or temporary workers. The average yearly number of part-timers and temporary workers is indicated in parentheses.

(ii) Employees of the Company

Number of Employees	Increase/Decrease from the Previous Year-End	Average Age	Average Years of Service
3,896 (2,479)	+202	38.0	9.4

Note: The number of employees does not include part-timers or temporary workers. The average yearly number of part-timers and temporary workers is indicated in parentheses.

2. Shares of the Company

- (1) Total number of shares authorized to be issued 250,000,000
(2) Total number of issued shares 97,683,133
(including treasury stock of 2,758,846 shares)
(3) Number of shareholders 10,276
(4) Major shareholders

Shareholder Name	Number of Shares Held (Thousands)	Percentage Ownership (%)
ITOCHU Corporation	35,011	36.88
JP MORGAN CHASE BANK 385632	3,400	3.58
NTT DOCOMO, INC.	2,930	3.08
The Master Bank Trust of Japan, Ltd. (Trust account)	2,407	2.53
Mizuho Bank, Ltd.	2,085	2.19
Japan Trustee Services Bank, Ltd. (Trust account)	1,602	1.68
Nippon Life Insurance Company	1,571	1.65
NORTHERN TRUST GLOBAL SERVICES LIMITED RE 15PCT TREATY ACCOUNT (NONLENDING)	1,537	1.61
JP MORGAN CHASE BANK 385174	1,138	1.19
THE BANK OF NEW YORK MELLON SA/NV 10	1,027	1.08

Notes:

1. The percentage ownership above is calculated on the basis of the number of shares issued and outstanding (94,924,287 shares) after subtracting the number of shares of treasury stock from the total number of issued shares.
2. In the Change Report dated November 7, 2014, the Company was notified that the Tokyo Branch of T. Rowe Price International Ltd., and its joint holders (a total of three companies) held 6,094,000 shares of the Company; however, their names are not included in the list of major shareholders above because the number of the Company's shares substantially held thereby as of February 28, 2015, could not be confirmed.

3. Corporate Officers

(1) Directors and Corporate Auditors (as of February 28, 2015)

Position	Name	Responsibilities and Important Positions Concurrently Held in Other Corporations
Chairman and Chief Executive Officer	Junji Ueda	
President and Chief Executive Officer	Isamu Nakayama	
Managing Director	Toshio Kato	Managing Executive Officer, General Manager of Corporate Planning Division, Supervisor of New Business Development Division, General Manager of Information Systems Division, General Manager of Store Operation Division, and Supervisor of Customer Service Office and Franchisee Relations Office
Managing Director	Masaaki Kosaka	Managing Executive Officer, General Manager of International Business Division, and President and Chief Executive Officer of FamilyMart China Holdings Co., Ltd.
Managing Director	Akinori Wada	Managing Executive Officer and General Manager of Store Development Division
Managing Director	Yukihiko Komatsuzaki	Managing Executive Officer, General Manager of Accounting and Finance Division, Chairman of Cost Structure Reform Committee, and Outside Director of Pocketcard Co., Ltd.
Managing Director	Hiroaki Tamamaki	Managing Executive Officer, General Manager of Merchandising Division, General Manager of Logistics & Quality Control Division, Chairman of Ready-to-Eat Meals Structural Reform Committee and Chairman of Logistics Structural Reform Committee
Managing Director	Kimio Kitamura	Managing Executive Officer, General Manager of Management Division, Supervisor of Accounting and Finance Division, Chairman of Risk Management & Compliance Committee, and Chairman of Business Process Improvement Committee
Standing Corporate Auditor	Noriki Tanabe	Outside Corporate Auditor of Pocketcard Co., Ltd.
Standing Corporate Auditor	Shintaro Tateoka	
Corporate Auditor	Mika Takaoka	Professor of the College of Business, Rikkyo University, Outside Director of TSI HOLDINGS CO., LTD., and Outside Director of MOS FOOD SERVICES, INC.
Corporate Auditor	Shuji Iwamura	Advisor to NAGASHIMA, OHNO & TSUNEMATSU Outside Corporate Auditor of Riken Corporation

Notes:

1. Standing Corporate Auditor Noriki Tanabe and Corporate Auditors Mika Takaoka and Shuji Iwamura are outside corporate auditors as set forth in Article 2, Item 16, of the Companies Act.
2. Corporate Auditors Mika Takaoka and Shuji Iwamura are independent auditors as per the regulations of the relevant Financial Instruments Exchange.
3. Pocketcard Co., Ltd. is an associated company of the Company. The Company entrusts its point card issuance services, etc., to Pocketcard.
4. The Company has no special relationship with Rikkyo University.
5. The Company has no significant transactions with TSI HOLDINGS CO., LTD., or MOS FOOD SERVICES, INC.
6. The Company has no significant transactions with NAGASHIMA, OHNO & TSUNEMATSU, or Riken Corporation.
7. Managing Director Motoo Takada passed away on December 19, 2014. During his term of office, his responsibilities were Managing Executive Officer, General Manager of Store Operation Division, and Supervisor of Customer Service Office and Franchisee Relations Office.

(Reference)

To clearly segregate corporate management from the execution of business duties for the purpose of reinforcing the governance structure, the Company streamlined the executive officer system as of March 1, 2015, while partially abolishing several posts of directors with titles.

The Responsibilities and Important Positions Concurrently Held in Other Corporations of the current directors as of March 1, 2015, were as follows:

Position	Name	Responsibilities and Important Positions Concurrently Held in Other Corporations
Chairman and Chief Executive Officer	Junji Ueda	
President and Chief Executive Officer	Isamu Nakayama	
Director	Toshio Kato	Senior Managing Executive Officer, General Manager of Store Operation Division, General Manager of Information Systems Division, and Supervisor of Customer Service Office and Franchisee Relations Office
Director	Masaaki Kosaka	Managing Executive Officer, General Manager of International Business Division, and President and Chief Executive Officer of FamilyMart China Holdings Co., Ltd.
Director	Akinori Wada	Managing Executive Officer and General Manager of Store Development Division
Director	Yukihiko Komatsuzaki	Managing Executive Officer, General Manager of Corporate Planning Division, Chairman of Cost Structure Reform Committee, and Outside Director of Pocketcard Co., Ltd.
Director	Hiroaki Tamamaki	Managing Executive Officer and General Manager of New Business Development Division
Director	Kimio Kitamura	Managing Executive Officer, General Manager of Management Division, Chairman of Risk Management & Compliance Committee, and Chairman of Business Process Improvement Committee

(2) Amounts of Remuneration, etc., to Directors and Corporate Auditors

Category	Number of Persons	Total Amount of Remuneration, etc. (unit: Millions of yen)
Directors	11	444
Corporate Auditors (including outside corporate auditors)	4 (3)	60 (37)
Total	15 (3)	504 (37)

- Notes: 1. The number of persons above includes two directors who retired as of the close of the 33rd Ordinary General Meeting of Shareholders held on May 29, 2014, and one director who passed away on December 19, 2014.
2. In addition to the total amounts of remuneration, etc., above for directors, ¥4 million was paid as the amounts that correspond to the salary and the bonus for directors who concurrently serve as employees.
3. In addition to the amounts above, ¥35 million was paid to two retiring directors to settle a liability for retirement benefits for directors and corporate auditors pursuant to the resolution on “Final Payments Associated with Abolishment of the Officers’ Retirement Benefits Payment System,” which was adopted by the 30th Ordinary General Meeting of Shareholders held on May 26, 2011. This amount includes a ¥6 million increase in the liability for retirement benefits for directors and corporate auditors, which were described in the respective Business Reports pertaining to the prior fiscal years in and before the 27th term.

(3) Outside Officers

(i) Relationship between the corporations where important positions are concurrently held by our outside officers and the Company

The relationship between the corporations where important positions are concurrently held by our outside officers and the Company is as described in (1) above.

(ii) Major Activities during the Year

Name	Position	Major Activities
Noriki Tanabe	Outside Corporate Auditor	The attendance rate of Noriki Tanabe as a standing corporate auditor was 100% for the meetings of both the Board of Directors and the Board of Corporate Auditors held during the year under review. He appropriately questioned or remarked at the meetings mainly based on his experience and knowledge as a responsible official in the internal auditing department of another corporation. He also attended important meetings, such as the Management Council; consulted on important documents, such as the <i>Ringi</i> papers; and conducted visiting audits to subsidiaries and associated companies. Furthermore, he endeavors to smoothly conduct meetings of the Board of Corporate Auditors as the Chairman thereof.
Mika Takaoka	Outside Corporate Auditor	The attendance rate of Mika Takaoka was 95% for the meetings of the Board of Directors and 100% for those of the Board of Corporate Auditors held during the year under review. She appropriately questioned or remarked at the meetings mainly from the viewpoint of a specialist in the field of economics and business administration based on research activities in a university.
Shuji Iwamura	Outside Corporate Auditor	The attendance rate of Shuji Iwamura was 95% for the meetings of the Board of Directors and 100% for those of the Board of Corporate Auditors held during the year under review. He appropriately questioned or remarked at the meetings from the viewpoint of a specialist in corporate governance and compliance, mainly based on his experience and knowledge as a prosecutor and a lawyer.

4. Independent Auditors

(1) Designation of the Independent Auditors

Deloitte Touche Tohmatsu LLC

(2) Amount of Remuneration, etc.

	Amount paid (unit: Millions of yen)
Amount of remuneration, etc., to the Independent Auditors pertaining to the year under review	80
Sum of other financial profits to be paid by the Company and its subsidiaries to the Independent Auditors	99

Notes: 1. The audit agreement entered into by the Independent Auditors and the Company does not distinguish the amount being derived from the audit under the Companies Act and that being derived from the audit under the Financial Instruments and Exchange Act, and the two amounts cannot be substantially distinguished from each other. Therefore, the “Amount of remuneration, etc., to the Independent Auditors pertaining to the year under review” above includes the sum of these two categories of remuneration.

2. Of the important subsidiaries, Taiwan FamilyMart Co., Ltd. receives independent audits by Certified Public Accountants or auditing firms different from the Independent Auditors of the Company.

(3) Content of the Nonaudit Services

Advice and instructions or the like with regard to the adoption of International Financial Reporting Standards.

(4) Policy on Decisions of Dismissal or Nonreappointment of the Independent Auditors

As for dismissal of the Independent Auditors, the Board of Directors and the Board of Corporate Auditors will examine whether the Independent Auditors should be dismissed if any circumstance falling under any of the items set forth in Article 340, Paragraph 1, of the Companies Act takes place.

As for nonreappointment of the Independent Auditors, the Board of Directors and the Board of Corporate Auditors will examine whether the Independent Auditors should be reappointed by taking into account the quality of the audits having been executed thereby, in addition to the case of nonreappointment due to the Company’s own convenience.

5. Corporate Systems and Guidelines

(1) Outline of the Systems to Ensure Compliance of the Directors’ Execution of Duties with Laws, Regulations, and the Articles of Incorporation, as well as the Propriety of Other Business Operations

(i) Systems to ensure compliance of the execution of duties by directors and employees with laws, regulations, and the Articles of Incorporation

1) The Board of Directors’ meetings shall be held once every month, in principle, and it shall be requested at the meetings that the Representative Director and other directors report on the progress of their duties being executed. To enhance the auditing function, the Company shall take the necessary measures to ensure the effectiveness of the audits conducted by the corporate auditors, whereas the corporate auditors shall examine whether the independence of the Independent Auditors is strictly maintained.

2) The Company shall establish a committee that directly reports to the President and Chief Executive Officer as an organization to control and oversee ethics- and compliance-related activities and a dedicated department or section to promote company-wide disseminating activities for ethics and compliance. Meanwhile, the Audit Office regularly conducts audits to examine the compliance conditions of ethics, laws, and regulations.

3) The Company shall formulate the “FamilyMart Ethics and Compliance Basic Guidelines” and other guidelines related to ethics and compliance, and establish rules in compliance with major laws and regulations, such as the Food Sanitation Law. Moreover, we will disseminate the ethics, laws, and regulations with which our franchisees should be acquainted through the cooperation of related departments and sections using various kinds of manuals.

4) An internal whistle-blowing system shall be adopted, according to which a Hotline channel shall be established to streamline the consultation and inquiries of employees’ concerns internally and externally so as to rectify violations or prevent infringements regarding ethics and compliance.

(ii) Rules and other systems regarding loss risk management

1) The Company shall establish a committee that directly reports to the President and Chief Executive Officer as an overall risk

management organization to control the management of various risks that the Company might face in the future and a dedicated department or section to promote company-wide risk management and relevant activities for thorough risk management. The Audit Office shall regularly conduct audits to examine the risk management conditions in the respective departments and sections.

2) The Company shall prepare a Risk Map, on which various types of risks that the respective departments and sections might encounter are assessed and classified by factor, to determine priority factors to be addressed selectively. Thus, the Company shall streamline rules regarding the system and methods for minimizing the effects of the risk concerned.

3) The Company shall establish a department or section to listen to customers' feedback, including customers' opinions so that such input may be fully utilized in future management.

4) The Company shall streamline a business continuity plan to take emergency responsive measures for the purpose of fulfilling its missions for customers as a convenience chain store in a state of emergency, such as a large-scale disaster.

(iii) Systems to ensure propriety of our financial reports

1) The Company shall establish a committee that directly reports to the President and Chief Executive Officer as an organization to supervise and control overall activities regarding the propriety of our financial reports and a dedicated department or section to ensure the propriety of internal financial reports. The Audit Office shall regularly conduct audits on systems to ensure the propriety of financial reports.

2) The Company shall determine the major factors that might affect the propriety of financial reports and streamline rules regarding the system and methods for minimizing the effects due to such factors.

(iv) Systems to ensure efficient execution of directors' duties

The Company shall establish the Management Council and the Marketing Strategy Council as advisory bodies for decision making on the execution of important business affairs, and so forth, all of which are presided over by the President, to allow the directors to make decisions in executing their duties through rapid and careful deliberations. Moreover, the Company shall adopt an executive officer system, with which the execution of business affairs can be made more efficient by sharing such execution among the executive officers via the increased delegation of authority. In addition, the Board of Directors shall determine the scope of job responsibility for each director and establish the "Rules on Operational Approvals, Functional Authority, and Responsibility" to clarify the functional authority and responsibility of the respective directors for more appropriate execution of business affairs.

(v) Systems to keep and manage information pertaining to the execution of duties by directors

The Company shall establish and maintain its document-handling rules compliant with relevant laws and regulations with regard to the preparation of information stated or recorded in important documents for approval (including electronic media), such as minutes of important meetings, including those of the Board of Directors and the Management Council; *Ringi* papers; and authorized documents. Moreover, the Company shall put in place a system to allow directors, corporate auditors, and other concerned parties to inspect the above documents in compliance with relevant laws and regulations.

(vi) Systems to ensure the propriety of business operations conducted by the corporate group consisting of the Company and its subsidiaries

1) The Company shall firmly control the management of all the group companies, which consist of subsidiaries and associates, and dispatch directors and/or corporate auditors, as the case may be, to make their business operations more reasonable and appropriate. In addition, the Company shall give advice and guidance to help them standardize business operations, especially for streamlining major internal control items.

2) The Company shall support regular exchanges of information and the combined or interlocked execution of measures between its Board of Corporate Auditors and the corporate auditors at the respective group companies to maintain the group-wide Internal Control Systems.

(vii) Employees in cases where a corporate auditor requests the Company to dispatch several employees as assistants to support his/her duties

The Company shall establish the Corporate Auditors' Secretariat and appoint several dedicated employees thereto to assist in the execution of the corporate auditor duties. A corporate auditor may give directions or orders to such employees, as far as the matters required for audit duties are concerned.

(viii) Independence from directors for employees who are to assist the corporate auditors in the execution of their duties

Employees who assist the corporate auditors in the execution of their duties shall obey only the directions given by the corporate auditor concerned in carrying out his/her own duties and shall not receive directions or orders from any other directors, executive officers, and/or

employees.

- (ix) Systems to help directors and employees report to the corporate auditors and other systems relating to reporting to the corporate auditors
 - 1) The corporate auditors of the Company shall attend the Board of Directors' meetings; attend other important meetings, such as those of the Management Council; listen to explanations from the directors, executive officers, and other relevant personnel; and examine associated materials.
 - 2) The directors, executive officers, and employees of the Company shall periodically report the results of the internal audit, the status of the execution of the internal whistle-blowing system, competitive trade information, and trade implying conflicts of interest involving the Company and a director and so on.
- (x) Other systems to ensure effective audits by the corporate auditors
 - 1) The corporate auditors of the Company shall periodically meet the President to hear him/her explain managerial issues, various risks surrounding the Company, and other subjects. Meanwhile, the corporate auditors shall exchange ideas and receive reports about the internal audit from the Audit Office.
 - 2) Any corporate auditor may entrust research with or seek advice from independent outside experts if it is deemed necessary to conduct proper audits.

(2) Basic Policy Regarding the Control of *Kabushiki Kaisha* (joint stock corporations)

(i) Basic policy regarding persons who control the Company's decisions on financial matters and business policies (hereinafter the "Basic Policy")

FamilyMart believes that the persons who control the Company's decisions on financial matters and business policies should be dedicated to ensuring and enhancing the corporate value of the Company and the common interests of the shareholders.

The Company mainly engages in the franchised convenience store business and conducts business activities, including other services, which are related to the mainstay convenience store business. The Company aims to improve earnings for both franchisees and the Company on an ongoing basis, based on the CO-GROWING concept, according to which the Company should co-prosper with stakeholders, such as shareholders, franchisees, business partners, employees, and communities, in positive relationships.

It is indispensable for the management of the Company to have a broad range of know-how and experience regarding its franchising business and sufficiently understand relations with these stakeholders in Japan and overseas. Indeed, they are the resources that the Company has nurtured since its foundation and our business operations derive from these resources.

Accordingly, the Company believes that persons who might be considered to cause an impairment to the corporate value and/or the common interests of the shareholders derived from the aforementioned resources, including shareholders, could be judged inappropriate to control the Company's decisions on financial matters and business policies.

The Company also believes that the corporate value and common interests of the shareholders should be protected if such persons, as mentioned below, were to conduct or propose to make a large-scale purchase of FamilyMart shares in cases where 1) the corporate value of the Company and the common interests of the shareholders might be significantly damaged by the purchaser's objective of a large-scale purchase or the subsequent management policies; 2) there is a possibility that the shareholders might be practically compelled to sell their shares; 3) the Board of Directors is not given a reasonable period to propose alternative plans; 4) the shareholders do not have sufficient information to examine the conditions to judge the purchase proposal; 5) the purchase conditions (e.g., value and type of compensation, purchase timing, legality of the purchase method, and probability of the execution of the purchase) are insufficient or improper in view of the primary values of the Company; and/or 6) the purchaser has the intent of destroying relations with or among stakeholders, which are vital to maintain and increase the corporate value of the Company.

(ii) Initiatives to help realize the Basic Policy

1) Basic management policies

The Company's "FamilyMart Basic Philosophy" prescribes that we should continue our efforts to create stores that give each customer the immediate feeling of being warmly accepted toward a goal of contributing to comfortable consumer lives through hospitality-based behavior with proposals to enrich consumers' minds. At the same time, the Company has established "Famimaship"—a code of conduct with common values for employees and franchisees.

Under the slogan of "FamilyMart, Where You Are One of the Family," FamilyMart aims to realize the FamilyMart Basic Philosophy and endeavors to further improve its corporate value.

2) Medium- to long-term management strategies

To be the leading quality company in the industry, FamilyMart consistently strives to strengthen its management foundations as a

franchising headquarters by advocating the strategic theme of “Fun & Fresh” to ensure an integrated value chain, including partners in other business sectors with our focus on the value of “Joyful and New.”

The Company considers returning its profits to the shareholders an important management policy as described in “(3) Policy Regarding a Decision on Cash Dividends, etc.” below.

We continue to conduct the “FamilyMart Feel” campaign to achieve hospitality-based stores that achieve stronger support among customers. Moreover, we will take the initiative in promoting activities in all aspects of product development, services, store operation, store development, and environment and corporate social responsibility toward contributing to local communities with solidified foundations as a social infrastructure and increasing sales and profits and raising corporate value.

3) Strengthening corporate governance

Based on our belief that strong corporate governance leads to ensuring and enhancing corporate value and the common interests of the shareholders, the Company has established and is actually operating the Internal Control Systems as described in Item (1) above.

(iii) The above initiatives are deemed to comply with the Basic Policy and they do not impair the common interests of the Company’s shareholders or aim to protect the positions of any of the Company’s officers, and the reason for such judgment

The above initiatives aim to maintain and improve earnings and return profits to the shareholders by maximally utilizing the Company’s resources having been established among the stakeholders, including shareholders, so that they may contribute to ensuring and enhancing the corporate value and the common interests of the shareholders.

Consequently, the above initiatives comply with the Basic Policy, and they do not impair the common interests of the Company’s shareholders or aim to protect the positions of any of the Company’s officers.

(3) Policy Regarding a Decision on Cash Dividends, etc.

The Company considers returning its profits to the shareholders an important management policy. The Company abides by a fundamental policy of stably distributing performance growth-based results on a continuing basis with regard to cash dividends and will, therefore, determine the amount of dividends with due consideration to consolidated performance. The Company’s payout ratio target will be 40% on a consolidated basis for the next several years.

The Company intends, as required, to acquire treasury stock to carry out a flexible capital policy. The Company strives to reinforce its management and improve business performance by applying its internal reserve to further enhance financial capabilities, open new stores, renovate existing stores, and invest strategically in new fields.

Note: Amounts above a unit are rounded down in the Business Report.

Consolidated Balance Sheet

(As of February 28, 2015)

(unit: Millions of yen)

Account Name	Amount	Account Name	Amount
(Assets)		(Liabilities)	
Current Assets	235,853	Current Liabilities	263,557
Cash and cash deposits	104,707	Accounts and notes payable—trade	94,757
Due from franchised stores	25,599	Due to franchised stores	5,838
Marketable securities	9,699	Current portion of long-term lease obligations	17,478
Merchandise	10,166	Other payables	29,470
Prepaid expenses	12,677	Accrued expenses	6,994
Deferred tax assets	2,220	Income taxes payable	9,955
Other receivables	45,036	Deposits received	90,800
Other current assets	25,918	Other current liabilities	8,260
Allowance for doubtful receivables	(171)		
Fixed Assets	430,391	Long-Term Liabilities	117,857
Property and Store Facilities	193,561	Long-term lease obligations	71,250
Buildings and structures	68,722	Net defined benefit liability	11,299
Furniture and fixtures	92,782	Asset retirement obligations	16,624
Land	19,455	Leasehold deposits refundable	11,706
Other	12,600	Other long-term liabilities	6,975
Intangible Assets	23,365	Total Liabilities	381,415
Software	10,186		
Goodwill	9,395	(Equity)	
Goodwill attributable to individual stores	3,066	Shareholders' Equity	266,599
Other	717	Common stock	16,658
Investments and Other Assets	213,463	Capital surplus	17,388
Investment securities	36,683	Retained earnings	241,324
Deferred tax assets	9,083	Treasury stock	(8,771)
Leasehold deposits receivable	149,564	Accumulated other comprehensive income	6,061
Other assets	20,682	Unrealized gain on available-for-sale securities	5,315
Allowance for doubtful receivables	(2,550)	Foreign currency translation adjustments	1,227
		Defined retirement benefit plans	(481)
		Minority Interests	12,168
		Total Equity	284,829
Total Assets	666,244	Total Liabilities and Equity	666,244

Note: Amounts above a unit are rounded down.

Consolidated Statement of Income

(March 1, 2014, through February 28, 2015)

(unit: Millions of yen)

Account Name	Amount	
Operating Revenues		
Commissions from franchised stores	234,073	
Other operating revenues	34,709	268,783
Net Sales		105,647
Total Operating Revenues		374,430
Cost of Sales		70,030
Gross Profit		(35,616)
Operating Gross Profit		304,400
Selling, General, and Administrative Expenses		263,982
Operating Income		40,417
Other Income		
Interest income	1,892	
Dividend income	126	
Equity in earnings of unconsolidated subsidiaries and associated companies	395	
Other	1,667	4,082
Other Expenses		
Interest expense	1,314	
Other	664	1,979
Ordinary Income		42,520
Extraordinary Income		
Gain on sales of fixed assets	80	
Gain on sales of investment securities	143	
Gain on sales of investments in associated companies	15,368	15,591
Extraordinary Losses		
Loss on sales of fixed assets	50	
Loss on disposition of fixed assets	4,327	
Loss on impairment of long-lived assets	6,050	
Loss on cancellation of land and building lease contracts	2,348	
Other	1,198	13,976
Income before Income Taxes and Minority Interests		44,135
Income taxes—current	19,736	
Income taxes—deferred	(4,051)	15,684
Net Income before Minority Interests		28,450
Minority interests in net income		2,778
Net Income		25,672

Note: Amounts above a unit are rounded down.

Consolidated Statement of Changes in Equity

(March 1, 2014, through February 28, 2015)

(unit: Millions of yen)

	Shareholders' Equity				
	Common Stock	Capital Surplus	Retained Earnings	Treasury Stock	Total Shareholders' Equity
Balance, March 1, 2014	16,658	17,389	226,224	(8,762)	251,509
Cumulative effects of changes in accounting policies			(700)		(700)
Restated balance, March 1, 2014, after reflecting the changes in accounting policies	16,658	17,389	225,523	(8,762)	250,809
Changes in items during the period					
Cash dividends			(9,872)		(9,872)
Net income			25,672		25,672
Purchase of treasury stock		(0)		(9)	(10)
Net changes in items other than shareholders' equity					
Total changes in items during the period	—	(0)	15,800	(9)	15,789
Balance, February 28, 2015	16,658	17,388	241,324	(8,771)	266,599

	Accumulated Other Comprehensive Income				Minority Interests	Total Equity
	Unrealized Gain on Available-for-Sale Securities	Foreign Currency Translation Adjustments	Defined retirement benefit plans	Total Accumulated Other Comprehensive Income		
Balance, March 1, 2014	2,221	1,693	(418)	3,497	10,450	265,458
Cumulative effects of changes in accounting policies			(124)	(124)		(824)
Restated balance, March 1, 2014, after reflecting the changes in accounting policies	2,221	1,693	(542)	3,372	10,450	264,633
Changes in items during the period						
Cash dividends						(9,872)
Net income						25,672
Purchase of treasury stock						(10)
Net changes in items other than shareholders' equity	3,093	(466)	61	2,688	1,717	4,406
Total changes in items during the period	3,093	(466)	61	2,688	1,717	20,195
Balance, February 28, 2015	5,315	1,227	(481)	6,061	12,168	284,829

Note: Amounts above a unit are rounded down.

Balance Sheet
(As of February 28, 2015)

(unit: Millions of yen)

Account Name	Amount	Account Name	Amount
(Assets)		(Liabilities)	
Current Assets	186,055	Current Liabilities	204,655
Cash and cash deposits	71,941	Accounts payable—trade	84,540
Due from franchised stores	25,599	Due to franchised stores	4,354
Marketable securities	9,699	Current portion of long-term lease obligations	17,307
Merchandise	2,572	Other payables	22,418
Prepaid expenses	11,916	Accrued expenses	657
Deferred tax assets	1,836	Income taxes payable	8,420
Other receivables	40,842	Deposits received	63,930
Advances	7,467	Other current liabilities	3,026
Short-term leasehold deposits	9,502	Long-Term Liabilities	103,257
Other current assets	4,765	Long-term lease obligations	70,525
Allowance for doubtful receivables	(89)	Liability for retirement benefits	8,868
Fixed Assets	383,684	Asset retirement obligations	16,527
Property and Store Facilities	151,489	Leasehold deposits refundable	5,663
Buildings	44,379	Other long-term liabilities	1,671
Structures	7,474	Total Liabilities	307,912
Machinery and equipment	10,783	(Equity)	
Furniture and fixtures	78,333	Shareholders' Equity	256,628
Land	10,367	Common Stock	16,658
Other	152	Capital Surplus	17,388
Intangible Assets	12,309	Additional paid-in capital	17,056
Software	8,698	Other capital surplus	331
Goodwill attributable to individual stores	3,066	Gain on sales of treasury stock	331
Other	544	Retained Earnings	231,353
Investments and Other Assets	219,885	Legal reserve	2,668
Investment securities	18,526	Other retained earnings	228,685
Investment in stocks of subsidiaries and associates	30,664	General reserve	195,253
Long-term loans receivable from subsidiaries and associates	5,948	Retained earnings carried forward	33,431
Long-term prepaid expenses	10,899	Treasury Stock	(8,771)
Deferred tax assets	8,223	Valuation, Translation Adjustments, and Others	5,198
Leasehold deposits receivable	145,887	Unrealized gain on Available-for-Sale Securities	5,198
Other assets	8,978	Total Equity	261,827
Allowance for doubtful receivables	(2,952)	Total Liabilities and Equity	569,739
Allowance for losses on investment	(6,292)		
Total Assets	569,739		

Note: Amounts above a unit are rounded down.

Statement of Income

(March 1, 2014, through February 28, 2015)

(unit: Millions of yen)

Account Name	Amount	
Operating Revenues		
Commissions from franchised stores	210,817	
(Net sales of franchised stores as the basis of franchise fees: ¥1,792,848 million)		
(Total including net sales of the Company-owned stores: ¥1,860,176 million)		
Other operating revenues	23,771	234,589
Net Sales		67,328
Total Operating Revenues		301,917
Cost of Sales		48,094
Gross Profit		(19,234)
Operating Gross Profit		253,823
Selling, General, and Administrative Expenses		219,821
Operating Income		34,001
Other Income		
Interest income	1,701	
Dividend income	2,236	
Other	954	4,892
Other Expenses		
Interest expense	1,280	
Other	452	1,733
Ordinary Income		37,160
Extraordinary Income		
Gain on sales of fixed assets	34	
Gain on sales of investment securities	143	
Gain on sales of investments in associated companies	23,045	23,223
Extraordinary Losses		
Loss on disposition of fixed assets	4,116	
Loss on impairment of long-lived assets	5,870	
Loss on cancellation of land and building leasehold deposits	2,231	
Loss on investments of subsidiaries and associates	1,811	
Other	756	14,786
Net Income before Income Taxes		45,597
Income taxes—current	17,703	
Income taxes—deferred	(803)	16,900
Net Income		28,697

Note: Amounts above a unit are rounded down.

Statement of Changes in Equity
(March 1, 2014, through February 28, 2015)

(unit: Millions of yen)

	Shareholders' Equity							
	Common Stock	Capital Surplus			Legal Reserve	Retained Earnings		
		Additional Paid-in Capital	Other Capital Surplus	Total Capital Surplus		Other Retained Earnings		Total Retained Earnings
					General Reserve	Retained Earnings Carried Forward		
Balance, March 1, 2014	16,658	17,056	331	17,388	2,668	184,253	26,306	213,228
Cumulative effects of changes in accounting policies							(700)	(700)
Restated balance, March 1, 2014, after reflecting the changes in accounting policies	16,658	17,056	331	17,388	2,668	184,253	25,606	212,527
Changes in items during the period								
Provision for general reserve						11,000	(11,000)	—
Cash dividends							(9,872)	(9,872)
Net income							28,697	28,697
Purchase of treasury stock								
Net changes in items other than shareholders' equity								
Total changes in items during the period	—	—	—	—	—	11,000	7,825	18,825
Balance, February 28, 2015	16,658	17,056	331	17,388	2,668	195,253	33,431	231,353

Note: Amounts above a unit are rounded down

(unit: Millions of yen)

	Shareholders' Equity		Valuation, Translation Adjustments, and Others	Total Equity
	Treasury Stock	Total Shareholders' Equity	Unrealized Gain on Available-for-Sale Securities	
Balance, March 1, 2014	(8,762)	238,513	2,203	240,717
Cumulative effects of changes in accounting policies		(700)		(700)
Restated balance, March 1, 2014, after reflecting the changes in accounting policies	(8,762)	237,813	2,203	240,016
Changes in items during the period				
Provision for general reserve		—		—
Cash dividends		(9,872)		(9,872)
Net income		28,697		28,697
Purchase of treasury stock	(9)	(9)		(9)
Net changes in items other than shareholders' equity			2,994	2,994
Total changes in items during the period	(9)	18,815	2,994	21,810
Balance, February 28, 2015	(8,771)	256,628	5,198	261,827

Note: Amounts above a unit are rounded down.

Attested Copy of the Independent Auditors' Report on the Consolidated Financial Statements

(TRANSLATION)

INDEPENDENT AUDITOR'S REPORT

April 3, 2015

To the Board of Directors of FamilyMart Co., Ltd.:

Deloitte Touche Tohmatsu LLC

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Masahiro Ishizuka (Seal)

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Haruko Nagayama (Seal)

Pursuant to the fourth paragraph of Article 444 of the Companies Act, we have audited the consolidated financial statements, namely, the consolidated balance sheet as of February 28, 2015 of FamilyMart Co., Ltd. (the "Company") and its consolidated subsidiaries, and the related consolidated statements of income and changes in net assets for the fiscal year from March 1, 2014 to February 28, 2015, and the related notes

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Audit Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of FamilyMart Co., Ltd. and its consolidated subsidiaries as of February 28, 2015, and the results of their operations for the year then ended in accordance with accounting principles generally accepted in Japan.

Interest

Our firm and the engagement partners do not have any interest in the Company for which disclosure is required under the provisions of the Certified Public Accountants Act.

The above represents a translation, for convenience only, of the original report issued in the Japanese language and "the related notes" referred to in this report are not included in the attached financial documents.

Attested Copy of the Independent Auditors' Report

(TRANSLATION)

INDEPENDENT AUDITOR'S REPORT

April 3, 2015

To the Board of Directors of FamilyMart Co., Ltd.:

Deloitte Touche Tohmatsu LLC

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Masahiro Ishizuka (Seal)

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Haruko Nagayama (Seal)

Pursuant to the first item, second paragraph of Article 436 of the Companies Act, we have audited the financial statements, namely, the balance sheet as of February 28, 2015 of FamilyMart Co., Ltd. (the "Company"), and the related statements of income and changes in net assets for the 34th fiscal year from March 1, 2014 to February 28, 2015, and the related notes and the accompanying supplemental schedules.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements and the accompanying supplemental schedules in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements and the accompanying supplemental schedules that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements and the accompanying supplemental schedules based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and the accompanying supplemental

schedules are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the accompanying supplemental schedules. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements and the accompanying supplemental schedules, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements and the accompanying supplemental schedules in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements and the accompanying supplemental schedules.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Audit Opinion

In our opinion, the financial statements and the accompanying supplemental schedules referred to above present fairly, in all material respects, the financial position of FamilyMart Co., Ltd. as of February 28, 2015, and the results of its operations for the year then ended in accordance with accounting principles generally accepted in Japan.

Interest

Our firm and the engagement partners do not have any interest in the Company for which disclosure is required under the provisions of the Certified Public Accountants Act.

The above represents a translation, for convenience only, of the original report issued in the Japanese language and "the related notes and the accompanying supplemental schedules" referred to in this report are not included in the attached financial documents.

Attested Copy of the Board of Corporate Auditors' Audit Report

(TRANSLATION)

AUDIT REPORT

Regarding the execution of duties by directors for the 34th fiscal year beginning March 1, 2014, and ending February 28, 2015, the Board of Corporate Auditors of FamilyMart Co., Ltd. (the "Company"), hereby submits its audit report, which has been prepared based on discussions of reports issued by each of the corporate auditors concerning the methods and results of audits performed.

1. Auditing Methods Employed by the Corporate Auditors and the Board of Corporate Auditors and Results Thereof

The Board of Corporate Auditors determined auditing policies, assigned tasks and other guidelines, received reports about the progress and results of audits, and requested explanations, as required, from each corporate auditor.

In compliance with the audit standards and based on the auditing policies, assigned tasks and other guidelines specified by the Board of Corporate Auditors, each corporate auditor has communicated with the directors, the internal auditing department (Audit Office), employees and other relevant personnel to collect information and improve the auditing environment; attended the meetings of the Board of Directors and other important meetings; received reports about the execution of their duties and requested explanations, as required, from the directors, employees, and other relevant personnel; examined important authorized documents and associated information; and studied business operations and financial positions at the head office and principal offices. In addition, each corporate auditor has received reports and requested explanations, as required, from the directors, employees, and other relevant personnel with regard to the substance of the resolution adopted by the Board of Directors regarding the improvement of in-house systems, as stipulated by Article 100, Paragraphs 1 and 3, of the Enforcement Regulations of the Companies Act, as well as the established and operational status of the in-house systems ("Internal Control Systems") that have been improved pursuant to the resolution concerned. Such Internal Control Systems are set forth in the aforementioned paragraphs as necessary to ensure compliance of the execution of duties by directors with laws, regulations, and the Articles of Incorporation, as well as to ensure the propriety of other business operations of a *Kabushiki-Kaisha* (joint stock corporation). The corporate auditors have studied the substance of the Basic Policy Regarding the Control of *Kabushiki Kaisha* (joint stock corporations). Moreover, the corporate auditors have received reports on operations from subsidiaries and examined the business operations and financial positions thereof, when necessary. In the manner explained above, the corporate auditors have examined the Business Report and supplementary schedules therefor of the Company pertaining to the fiscal term under review.

Furthermore, the corporate auditors have examined whether the Independent Auditors maintain independence and have done appropriate audits, and have received reports on the execution of their duties and requested explanations, as required, from the Independent Auditors. The corporate auditors have been notified that the Independent Auditors are streamlining the "system to ensure appropriate execution of their duties" in accordance with the Standards on Quality Control for Audits (Business Accounting Council, October 28, 2005), etc., and requested explanations, as required. In the manner explained above, the corporate auditors have examined the financial statements and supplementary schedules therefor of the Company, as well as the consolidated financial statements, pertaining to the fiscal term under review.

2. Audit Results

- (1) Audit results regarding the Business Report and other documents
 - i) In our opinion, the Business Report and the supplementary schedules therefor fairly represent the Company's conditions in accordance with the related laws and regulations, and the Articles of Incorporation.
 - ii) We have found no evidence of wrongful action or material violation of laws, regulations or the Articles of Incorporation by any directors with regard to the execution of their duties.
 - iii) In our opinion, the resolution by the Board of Directors regarding the Internal Control Systems is fair and reasonable. We have found no matters to remark with regard to the substance described in the Business Report and the execution of duties by the directors for the improvement of said Internal Control Systems.
 - iv) We have found no matters to remark with regard to the Basic Policy Regarding the Control of *Kabushiki Kaisha* (joint stock corporations).
- (2) Audit results regarding the financial statements and the supplementary schedules therefor
In our opinion, the methods and results employed and rendered by the Independent Auditors, Deloitte Touche Tohmatsu LLC, are fair and reasonable.
- (3) Audit results regarding the consolidated financial statements
In our opinion, the methods and results employed and rendered by the Independent Auditors, Deloitte Touche Tohmatsu LLC, are fair and reasonable.

April 8, 2015

Board of Corporate Auditors, FamilyMart Co., Ltd.

Noriki Tanabe, Standing Corporate Auditor (Outside Corporate Auditor) (Seal)

Shintaro Tateoka, Standing Corporate Auditor (Seal)

Mika Takaoka, Corporate Auditor (Outside Corporate Auditor) (Seal)

Shuji Iwamura, Corporate Auditor (Outside Corporate Auditor) (Seal)

The above represents a translation, for convenience only, of the original report issued in the Japanese language.

Reference Document for the General Meeting of Shareholders

No. 1: Partial Amendments to the Articles of Incorporation

1. Reason for the amendments

As part of the efforts to reinforce corporate governance and thus ensure the long-term growth of corporate value, the Company has decided to enhance its executive officer system, so that it will increase the flexibility of business executions, while further strengthening the Board of Directors' decision-making and supervising functions for the execution of businesses.

To achieve such reinforcement of corporate governance, we propose the following amendments to the Articles of Incorporation.

- (1) The necessary amendments to Article 18 to optimize the maximum number of Directors so that it fits the actual status.
- (2) Creation of Article 25 (Limited Liability Contracts with Directors) and Article 32 (Limited Liability Contracts with Corporate Auditors) in accordance with the provision of Article 427, Paragraph 1 of the Companies' Act to facilitate the invitation of persons appropriate for Directors or Corporate Auditors and enable them to fulfill their expected roles.
Regarding the establishment of Article 25 (Limited Liability Contracts with Directors), we have received consent of all Corporate Auditors.
- (3) Creation of Article 26 (Executive Officers) to specify the method of appointing executive officers and roles thereof, etc., reflecting the enhancement of the executive officer system.
- (4) Renumbering of the Articles of Incorporation in accordance with creation of the new Articles mentioned above.

2. Description of the amendments

The proposed amendments are as follows:

(Underlined portions indicate the amendments.)

Current Articles of Incorporation	Proposed Amendments
Chapter 4: Directors, Representative Directors, <u>and</u> Board of Directors	Chapter 4: Directors, Representative Directors, Board of Directors, <u>etc.</u>
(Number of Directors)	(Number of Directors)
Article 18 The number of the Company's Directors shall be <u>35</u> or less.	Article 18 The number of the Company's Directors shall be <u>15</u> or less.
Article 19–Article 24 (provisions omitted)	Article 19–Article 24 (unchanged)
(New)	<u>(Limited Liability Contracts with Directors)</u> <u>Article 25</u> <u>Pursuant to the provision of Article 427, Paragraph 1 of the Companies' Act, the Company may enter into contracts with Directors (excluding Executive Directors, etc.; hereinafter the same shall apply in this article) to the effect that, if the Directors are without knowledge and are not grossly negligent in performing their duties, the liability of the Directors under Article 423, Paragraph 1 of said Act shall be limited to the minimum liability amount provided in applicable laws and regulations.</u>
(New)	<u>(Executive Officers)</u> <u>Article 26</u> <u>1. The Board of Directors may, by its resolution, appoint executive officers and have them execute the Company's businesses.</u> <u>2. The Board of Directors may, by its resolution, designate Senior</u>

Article 25–Article 29 (provisions omitted)

(New)

Article 30–Article 34 (provisions omitted)

Managing Executive Officers, Managing Executive Officers, Senior Executive Officers and Executive Officers with any other titles from among the Executive Officers.

3. Matters regarding Executive Officers shall be in accordance with the Regulations for Executive Officers set forth by the Board of Directors, as well as this Articles of Incorporation.

Article 27–Article 31 (unchanged)

(Limited Liability Contracts with Corporate Auditors)

Article 32

Pursuant to the provision of Article 427, Paragraph 1 of the Companies' Act, the Company may enter into contracts with Corporate Auditors to the effect that, if the Corporate Auditors are without knowledge and are not grossly negligent in performing their duties, the liability of the Corporate Auditors under Article 423, Paragraph 1 of said Act shall be limited to the minimum liability amount provided in applicable laws and regulations.

Article 33–Article 37 (unchanged)

No. 2: Election of Ten Directors

The terms of office of all the current Directors (8 persons) will expire at the conclusion of this Meeting. Accordingly, we propose that ten (10) Directors, including one (1) Outside Director, be elected. The candidates for Director are as described below:

No.	Name (Date of birth)	Brief personal history, position and responsibilities in the Company and important positions concurrently held in other corporations	Number of shares held
1	Junji Ueda (December 27, 1946) reappointment	April 1970 Joined ITOCHU Corporation May 1999 Assistant General Manager of Foods Division and General Manager of CVS Division of ITOCHU Corporation September 2000 Executive Officer of the Company May 2001 Managing Director and Managing Executive Officer of the Company March 2002 President and Chief Executive Officer of the Company January 2013 Chairman and Chief Executive Officer of the Company (currently serving)	8,000
2	Isamu Nakayama (October 12, 1957) reappointment	April 1981 Joined ITOCHU Corporation April 2004 General Manager of Oilseeds, Oils & Fats Department of ITOCHU Corporation April 2010 Executive Officer and Senior Vice President of Food Company of ITOCHU Corporation April 2012 Managing Executive Officer and Executive Vice President of Food Company and Chief Operating Officer of Provisions Division of ITOCHU Corporation January 2013 President and Executive Officer of the Company May 2013 President and Chief Executive Officer of the Company (currently serving)	3,900

No.	Name (Date of birth)	Brief personal history, position and responsibilities in the Company and important positions concurrently held in other corporations	Number of shares held
3	Toshio Kato (March 2, 1961) reappointment	<p>March 1983 Joined the Company</p> <p>September 2000 Deputy General Manager of Store Operation Department and Operation Division of the Company</p> <p>March 2003 Executive Officer and General Manager of Kita- Kanto District of the Company</p> <p>May 2007 Director, Managing Executive Officer, General Manager of Operation Division and Supervisor of Customer Service Office and Franchisee Relations Office of the Company</p> <p>March 2011 Managing Director, Managing Executive Officer, General Manager of Corporate Planning Division and General Manager of Corporate Planning Department of the Company</p> <p>March 2015 Director, Senior Managing Executive Officer, General Manager of Store Operation Division, General Manager of Information Systems Division and Supervisor of Customer Service Office and Franchisee Relations Office of the Company (currently serving)</p>	2,300
4	Masaaki Kosaka (January 23, 1962) reappointment	<p>March 1984 Joined the Company</p> <p>March 2001 General Manager of Sales Planning Department and Sales Planning Division of the Company</p> <p>March 2003 Executive Officer and General Manager of Sales Planning Office, Corporate Planning Department of the Company</p> <p>May 2009 Director and Managing Executive Officer of the Company President of FAMIMA CORPORATION</p> <p>March 2012 Managing Director, Managing Executive Officer and General Manager of International Business Division of the Company</p> <p>March 2015 Director, Managing Executive Officer and General Manager of International Business Division of the Company (currently serving)</p> <p>Important Position Concurrently Held in Other Corporations: President and Chief Executive Officer of FamilyMart China Holdings Co., Ltd.</p>	2,400

No.	Name (Date of birth)	Brief personal history, position and responsibilities in the Company and important positions concurrently held in other corporations	Number of shares held
5	Akinori Wada (January 2, 1960) reappointment	<p>June 1985 Joined the Company</p> <p>September 2000 General Manager in charge of promotion of the development of Kansai Region of the Company</p> <p>March 2003 Executive Officer and General Manager of Chugoku and Shikoku District of the Company</p> <p>May 2009 Director, Managing Executive Officer and General Manager of Store Development Division of the Company</p> <p>March 2012 Managing Director, Managing Executive Officer and General Manager of Store Development Division of the Company</p> <p>March 2015 Director, Managing Executive Officer and General Manager of Store Development Division of the Company (currently serving)</p>	3,800
6	Yukihiko Komatsuzaki (December 13, 1953) reappointment	<p>April 1978 Joined Nippon Steel Corporation</p> <p>March 2007 President and Chief Executive Officer of REX Holdings Inc.</p> <p>July 2010 Advisor of REX Holdings Inc.</p> <p>October 2010 Managing Executive Officer and Deputy General Manager of Management Division of the Company</p> <p>May 2011 Director, Managing Executive Officer and Deputy General Manager of Management Division of the Company</p> <p>March 2012 Managing Director, Managing Executive Officer and Deputy General Manager of Management Division of the Company</p> <p>March 2015 Director, Managing Executive Officer, General Manager of Corporate Planning Division and Chairman of Cost Structure Reform Committee of the Company (currently serving)</p> <p>Important Position Concurrently Held in Other Corporations: Outside Director of Pocketcard Co., Ltd.</p>	1,200

No.	Name (Date of birth)	Brief personal history, position and responsibilities in the Company and important positions concurrently held in other corporations	Number of shares held
7	Hiroaki Tamamaki (July 9, 1956) reappointment	<p>April 1980 Joined ITOCHU Corporation</p> <p>April 2010 Executive Officer and General Manager of Textile Material & Fabric Division of ITOCHU Corporation</p> <p>April 2011 Managing Executive Officer and Officer in charge of Corporate Planning Division of the Company</p> <p>May 2011 Director, Managing Executive Officer and Officer in charge of Corporate Planning Division of the Company</p> <p>March 2012 Managing Director, Managing Executive Officer and Officer in charge of Corporate Planning Division of the Company</p> <p>March 2015 Director, Managing Executive Officer and General Manager of New Business Development Division of the Company (currently serving)</p>	1,900
8	Kimio Kitamura (January 10, 1952) reappointment	<p>April 1975 Joined ITOCHU Corporation</p> <p>April 2007 Executive Officer, Deputy General Manager of Finance Division, and CFO Office of ITOCHU Corporation</p> <p>May 2007 Executive Officer and General Manager of Finance Division of ITOCHU Corporation</p> <p>April 2010 Managing Executive Officer and General Manager of Finance Division of ITOCHU Corporation</p> <p>May 2014 Managing Director, Managing Executive Officer, General Manager of Management Division, Supervisor of Accounting and Finance Division, Chairman of Risk Management & Compliance Committee and Chairman of Business Process Improvement Committee of the Company</p> <p>March 2015 Director, Managing Executive Officer, General Manager of Management Division, Chairman of Risk Management & Compliance Committee and Chairman of Business Process Improvement Committee of the Company (currently serving)</p>	200

No.	Name (Date of birth)	Brief personal history, position and responsibilities in the Company and important positions concurrently held in other corporations	Number of shares held
9	Toshinori Honda (March 5, 1949) new appointment	<p>April 1971 Joined Daiwa Securities Co. Ltd.</p> <p>January 1996 Director and General Manager of Food Headquarters of Seven-Eleven Japan Co., Ltd.</p> <p>April 1998 Managing Director of Lotte Group</p> <p>May 2004 Senior Managing Director of SUGI Pharmacy Co., Ltd.</p> <p>May 2005 President and Representative Director of Laox Co., LTD.</p> <p>December 2009 President and Representative Director of am/pm Japan Co., Ltd.</p> <p>March 2010 Managing Executive Officer and General Manager of Business Integration Promotion Department, am/pm Operations Integration Division of the Company</p> <p>March 2014 Managing Executive Officer, General Manager of New Business Development Division and in charge of special assignments from the President of the Company</p> <p>March 2015 Senior Managing Executive Officer, General Manager of Merchandising Division, General Manager of Logistics & Quality Control Division, Chairman of Ready-to-eat Meals Structural Reform Committee and Chairman of Logistics Structural Reform Committee of the Company (currently serving)</p> <p>Important Position Concurrently Held in Other Corporations: President and Representative Director of Clear Water Tsunan, Co., Ltd.</p>	800

No.	Name (Date of birth)	Brief personal history, position and responsibilities in the Company and important positions concurrently held in other corporations	Number of shares held
10	Hiroshi Komiyama (December 15, 1944) new appointment, candidate for Outside Director	<p>July 1988 Professor, Faculty of Engineering, the University of Tokyo</p> <p>April 2000 Dean of the School of Engineering and Dean of the Faculty of Engineering of the University of Tokyo</p> <p>April 2005 28th President of the University of Tokyo</p> <p>April 2009 Executive Advisor to the President of the University of Tokyo</p> <p>April 2009 Chairman of Mitsubishi Research Institute, Inc. (currently serving)</p> <p>Important Positions Concurrently Held in Other Corporations: Chairman of Mitsubishi Research Institute, Inc. Outside Director of JX Holdings, Inc. Outside Director of Shin-Etsu Chemical Co., Ltd.</p>	—

Reason for choosing the candidate for Outside Director

Hiroshi Komiyama is a candidate for Outside Director and for the Independent Director as prescribed in the regulations of the financial instruments exchange. Hiroshi Komiyama is nominated for Outside Director because he has abundant experience and sophisticated insight acquired through his career as President of the University of Tokyo and Chairman of Mitsubishi Research Institute, Inc., and others.

Although Hiroshi Komiyama has not been involved in corporate management in a way other than serving as outside director or outside corporate auditor, we believe that, for the above reasons, he will be able to effectively perform the duties of Outside Director of the Company.

Other matters to be noted concerning the candidate for Outside Director

When Hiroshi Komiyama is elected as an Outside Director, subject to the approval of Resolution Item No. 1 “Partial Amendments to the Articles of Incorporation”, the Company will conclude a contract with Hiroshi Komiyama to the effect that, if he is without knowledge and is not grossly negligent in performing his duties, his liability as Director under Article 423, Paragraph 1 of the Companies’ Act is limited to the minimum liability amount provided in applicable laws and regulations.

- Notes:
1. Masaaki Kosaka also serves as President and Chief Executive Officer of FamilyMart China Holdings Co., Ltd., a consolidated subsidiary of the Company. The Company has transactional relationships with FamilyMart China Holdings Co., Ltd., which include licensing.
 2. Toshinori Honda also serves as President and Representative Director of Clear Water Tsunan, Co., Ltd., a consolidated subsidiary of the Company. The Company has transactional relationships with Clear Water Tsunan, Co., Ltd., such as contract manufacturing of products.
 3. There is no relationship of interest between the other candidates than those mentioned above and the Company.

No. 3: Election of One Corporate Auditor

The term of office of Corporate Auditor Mika Takaoka will expire at the conclusion of this Meeting. Accordingly, we propose that one (1) Corporate Auditor be elected.

The candidate for Corporate Auditor is as described below. The Board of Corporate Auditors has given prior approval to this bill.

Name (Date of birth)	Brief personal history, position and responsibilities in the Company and important positions concurrently held in other corporations	Number of shares held
Mika Takaoka (June 19, 1968) reappointment, candidate for Outside Corporate Auditor	April 2001 Assistant Professor, Institute for Economic Research, Osaka City University	—
	April 2002 Assistant Professor, College of Economics, Rikkyo University	
	April 2006 Assistant Professor, College of Business, Rikkyo University	
	April 2007 Associate Professor, College of Business, Rikkyo University	
	April 2009 Professor, College of Business, Rikkyo University (currently serving)	
	May 2011 Outside Corporate Auditor of the Company (currently serving)	
	Important Positions Concurrently Held in Other Corporations: Professor, College of Business, Rikkyo University Outside Director of TSI HOLDINGS CO., LTD. Outside Director of MOS FOOD SERVICES, INC.	

Reason for choosing the candidate for Outside Corporate Auditor

Mika Takaoka is a candidate for Outside Corporate Auditor and for the Independent Auditor as prescribed in the regulations of the financial instruments exchange. Mika Takaoka is nominated for Outside Corporate Auditor because she has extensive knowledge and sophisticated insight in fields, such as economics and business administration, in which she specializes as a university professor.

Although Mika Takaoka has not been involved in corporate management in a way other than serving as outside director or outside corporate auditor, we believe that, for the above reasons, that she will be able to effectively perform the duties of Outside Corporate Auditor of the Company.

Mika Takaoka's term of office since assuming the position of Outside Corporate Auditor of the Company will be four years as of the conclusion of this Meeting.

Other matters to be noted concerning the candidate for Outside Corporate Auditor

When Mika Takaoka is elected as an Outside Corporate Auditor, subject to the approval of Resolution Item No. 1 "Partial Amendments to the Articles of Incorporation", the Company will conclude a contract with Mika Takaoka to the effect that, if she is without knowledge and is not grossly negligent in performing her duties, her liability as Corporate Auditor under Article 423, Paragraph 1 of the Companies' Act is limited to the minimum liability amount provided for in applicable laws and regulations.

Note: There is no relationship of interest between Mika Takaoka and the Company.