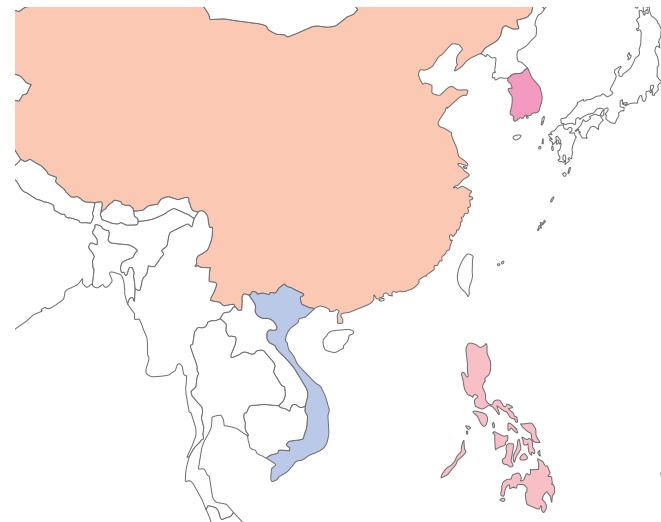


Number of Stores (Worldwide): 4,177 stores (as of February 29, 2012)

Overseas



China



QINGDAO MINISTOP
CO., LTD.
30 stores

South Korea



MINISTOP KOREA CO., LTD.
1,713 stores

Vietnam



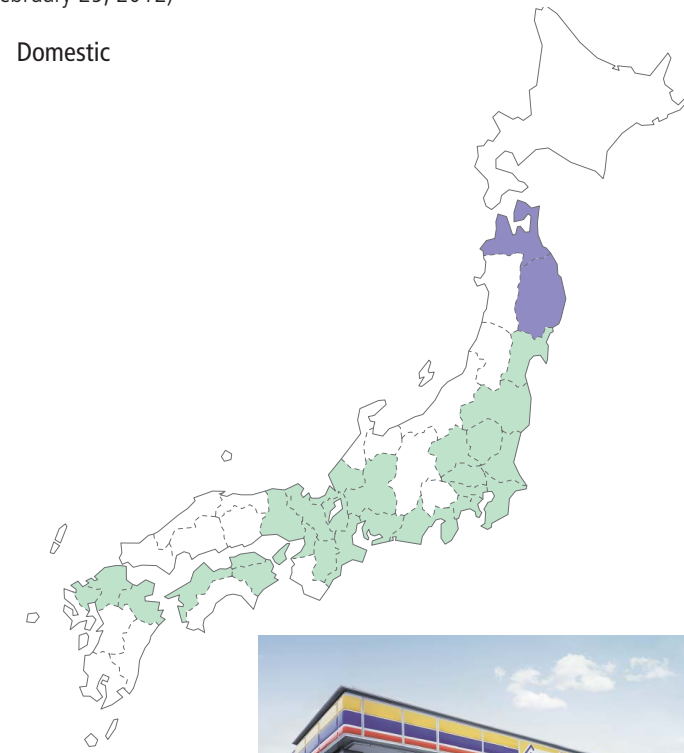
G7-MINISTOP SERVICE &
TRADING JOINT STOCK
COMPANY
2 stores

The Philippines



ROBINSONS CONVENIENCE
STORES, INC.
327 stores

Domestic



MINISTOP CO., LTD.
2,046 stores

N-B-G MS Network Co., Ltd.
42 stores

RECODS. Co., Ltd. 17 stores
RECODS. Co., Ltd. has expanded its stores to Tokyo, Kanagawa, Kyoto,
Osaka, Hyogo and Nara prefectures.

Editorial Policy

The MINISTOP CSR Report expresses our mission to "realize a society full of beaming smiles with 'deliciousness' and 'convenience.'" We are expanding our CSR activities by fully considering what we can do to best achieve this mission.

The fiscal 2012 edition includes customer feedback as well as showcases some of the activities undertaken by our franchise stores and main business office to fully satisfy and bring smiles to the faces of our stakeholders. The CSR Report illustrates our vision to become the No.1 convenience store for customer satisfaction based on our coffee, sweets, and rice balls while detailing what each of us thinks about and is doing to achieve our mission.

To ensure that CSR Report conveys our ideas in an understandable manner and is thoroughly read by as many people as possible, we have focused on those CSR topics we most want to communicate to the public. Additional details and results of our activities can be found on our website (<http://www.ministop.co.jp/>) (Japanese Only).

Going forward, MINISTOP will continue to work with its customers and other stakeholders to help create a society full of beaming smiles. We look forward to receiving your comments and opinions as we strive to achieve this goal.

Contact

MINISTOP CO.,LTD.

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http://www.ministop.co.jp/corporate/eco_social/eco_report/pdf/env_2012en.pdf

This report can be viewed at the website indicated above.

It can also be downloaded in PDF format.

- Japanese edition (No.13) issued July 2012 (Next issue expected June 2013).
- English edition (No.5) issued October 2012 (Next issue expected August 2013).

MINI Report

Aiming to
Realize a Society Full of
Beaming Smiles

2012

MINISTOP CSR Report



Table of Contents

03

Stores:

Realize Stores Full of Beaming Smiles

05

Stores:

Create Stores That Offer Value to Customers

07

Main Business Office:

Work with Franchise Stores to Bring Smiles to Customers

09

Main Business Office:

Aim to Make MINISTOP No. 1

13

A Word from the President

Customer Feedback

These are some of the responses MINISTOP has received from customers. We follow up on each customer comment and make every effort to reflect these in our products and services. In addition, we work every day to improve operations by sharing customer feedback at each of our stores.

Selection

- NOTHING BEATS DRINKING GREAT TASTING COFFEE AT SUCH A REASONABLE PRICE.
- THIS MORNING, THERE WAS NO FRESHLY BREWED COFFEE LEFT. PLEASE DON'T RUN OUT.
- MINISTOP'S HAPPYRICH SWEETS TASTE GREAT AND EACH ONE REALLY HAS A UNIQUE APPEARANCE.
- I BUY SOFT SERVE ICE CREAM AT VARIOUS MINISTOP STORES, BUT THE SIZES ARE SMALLER AT SOME STORES.
- THE CUP DESERT LOOKED SO GOOD I DECIDED TO TREAT MYSELF. ACTUALLY, I WAS LET DOWN WHEN THE FLAVOR WASN'T AT ALL WHAT I EXPECTED.
- I BUY MINISTOP RICE BALLS MADE FRESH EVERY MORNING. I'M REALLY IMPRESSED BY HOW GOOD THEY TASTE.
- IF MINISTOP MADE RICE BALLS WARM AND FRESH TO ORDER, THEY'D BE EVEN BETTER TASTING.

Fair Trade Products

- I'M NOW AWARE OF HOW GREAT A PROGRAM FAIR TRADE IS AFTER LEARNING MORE ABOUT IT.
- I WAS REALLY GLAD TO FIND MINISTOP SELLS FAIR TRADE CHOCOLATE. FEW OTHER STORES CARRY SUCH PRODUCTS.

Cleanliness

- IT WAS A PLEASURE TO USE THE STORE WASHROOMS SINCE THEY ARE KEPT SO CLEAN.
- IT WAS A SHAME THAT THE ALCOHOLIC BEVERAGES STOCKED ON THE LOWER SHELVES WERE COVERED IN DUST.
- THE VACANT LOT BEHIND THE STORE WAS STREWN WITH GARBAGE.
- I SAW DEAD BUGS ON PRODUCT SHELVES.

Eat-in Corner

- BEING ABLE TO EAT LUNCH BOXES INSIDE A WARM STORE IS THE BEST.
- THE TABLE STILL HAD UNEATEN FOOD LEFT BEHIND FROM THE PREVIOUS CUSTOMER.
- AFTER SITTING DOWN, I NOTICED THE FLOOR AROUND MY SEAT WAS DIRTY, WHICH WAS UNPLEASANT.

Safety and Reliability

- THE STORE STAFF MEMBER CAREFULLY WATCHED OVER MY THREE-YEAR-OLD DAUGHTER WHEN SHE WAS ON AN ERRAND.
- DESPITE THE DAILY DISRUPTIONS I ENDURED BECAUSE OF LAST YEAR'S EARTHQUAKE, BEING ABLE TO BUY TEA AND SNACKS AT MINISTOP HELPED PUT MY MIND AT EASE.

Customer Service

- THE STORE STAFF MEMBER ALWAYS SMILES AND GREETES ME WITH "GOOD MORNING!" OR "HAVE A NICE DAY!"
- I WAS SO IMPRESSED BY A STORE STAFF MEMBER'S PLEASANT MANNER AND DILIGENCE THAT I COULDN'T HELP BUT BUY THE ITEM BEING RECOMMENDED.
- THE STORE STAFF ALWAYS SPEAK SO QUIETLY THAT I CAN'T HELP BUT THINK THEY LACK ENTHUSIASM.
- ALTHOUGH I WAS FORCED TO WAIT BECAUSE OF A STORE STAFF MEMBER'S MISTAKE, NO APOLOGY WAS OFFERED.





Asami Senaga, Store Employee
Higashi-Nihonbashi 3-Chome Store (Tokyo)

Hearing “Thank you”
from a Customer Motivates Me.

I Enjoy My Job Thanks to Learning the Basics of Customer Service

I was motivated to work for MINISTOP because making soft serve ice cream and various types of fast food looked like fun. When I began working for MINISTOP, I was rather clueless about the importance of smiling and cheerfully greeting customers so the store manager and store advisor* taught me the proper way to welcome and politely speak to customers. Deciding to put what I learned to practice, I made sure to greet each and every customer with a smile while saying “welcome!” and “thank you and have a nice day!”

After a while of doing this, customers started to comment: “you have a nice smile,” “you’re very cheerful,” and “you’re upbeat mood really cheers me up.” Greeting customers with a cheerful smile has gradually become not only enjoyable but second nature. Although there’s no manual for this, I make a special effort to talk with repeat customers and try to remember their preferences so I can quickly meet their needs.

*Please refer to page 7 for more details.

Practicing Cheerful Customer Service through Teamwork

Based on our manager’s suggestion, each store staff member set goals for themselves, which were displayed in the office. I set the following three goals for myself:

1. Greet every customer that enters the store
2. Politely acknowledge customers even when busy ringing up customer purchases
3. Maintain a cheerful attitude and smile at customers

Setting goals is a great motivator and encourages teamwork as store staff members understand each other better and work together to realize their goals.

By always greeting customers with a smile, I often get a “thank you” in return. Even when problems in my life get me down, smiling and talking with customers always cheers me up. Hearing “thank you” from a customer motivates me.

MINISTOP Store Staff Feedback

We showcase the daily efforts of store staff nationwide. They make MINISTOP an enjoyable place where customers want to shop and keep coming back.

Natsumi Akabane, Store Employee, Kameido 9-Chome Store (Tokyo)
I always try to be extra kind and polite to customers who seem troubled.

Yuziro Sugimoto, Store Manager, Tokorozawa Kami Arai Store (Saitama Prefecture)
Every staff member greets customers with exuberance and a smile in an effort to achieve our management vision of being a store that brings smiles and vitality to customers.

Ayuma Yamada, Store Employee, Chikugo Nagasaki Store
Each staff member works to ensure that store-related duties are carried out only when customers are not at the cash registers. We also make sure to be at the cash registers before the customers get there.

Hiromi Kayahara, Store Leader, Nagoya Kouseidori Store
I always keep in mind our management vision of “impressing customers each time they visit” and am careful to ensure that employees are familiar with how to best serve customers.

Azusa Kato, Store Employee, Iwai Store (Mie Prefecture)
Never forgetting the importance of gracious hospitality, I look customers in the eye and greet them with a smile.

Minako Naito, Store Employee, Kamojimachiejima Store (Tokushima Prefecture)
We work to enhance communication among employees to quickly respond to customer needs.

Satomi Kikuta, Store Employee, Meieki 2-Chome Store (Aichi Prefecture)
We create an atmosphere that encourages all employees to maintain a high degree of awareness and share their opinions on customer service. That way, we can better understand the customer’s perspective.

Yuko Umeda, Store Employee, Kanihiromi 5-Chome Store (Gifu Prefecture)
I make an effort to remember our repeat customers and take time to speak with elderly customers.

Kakuya Okamoto, Store Employee, Kakegawa Miyawaki Store (Shizuoka Prefecture)
I value my conversations with customers and recommend new products to them.

Michiyo Fujisaki, Store Employee, Chigasaki Tsutsumi Store (Kanagawa Prefecture)
I always consider the customers’ point of view to avoid treating them in ways that would bother me.

Akinori Sakamoto, Store Employee, Kanda Kyomachi Store (Fukuoka Prefecture)
I always keep a smile on my face and speak with customers in a cheerful manner to make their shopping experience as pleasant as possible.

Mieko Ozawa, Store Leader, Kanayacho Store (Shizuoka Prefecture)
I stay at eye level when speaking with children visiting the store. I also open the door for customers with disabilities and help them with their shopping.



Stores: Create Stores That Offer Value to Customers

Strict Quality Control is the Reason why MINISTOP's Fast Food Tastes so Great

Yuichi Hashimoto, Owner
Sano Ohashi Store (Tochigi Prefecture)

MINISTOP's selection of fast food cannot be duplicated by any other chain. Realizing the appeal of MINISTOP's unique products, I became the owner of a franchise store 17 years ago. Since then, I have continued to work with the aim of introducing delicious MINISTOP fast food to as many customers as possible.

It is important to adhere to the basics. As such, I conduct training to ensure that the entire staff precisely follow procedures according to the manual, always mindful of how food items should be displayed and served. Through these actions, the staff is able to offer customers delicious fast food with confidence.

These actions go beyond food preparation. MINISTOP's culture is rooted in thoroughly keeping track of expiry dates and strict hygiene management, which are basic elements of fast food preparation. By strictly adhering to these procedures, we will maintain the trust and support of our customers.



Becoming a Store that Satisfies the Needs of Every Customer

Maiko Nakata, Store Manager
Koshienguchi 5-Chome Store (Osaka Prefecture)

A wide variety of customers visit our store, including businessmen, families, the elderly and students from elementary to high school. We have bolstered our lineup of bread, milk, eggs and other daily necessities as well as condiments since there are no supermarkets in the immediate area. In addition, an elderly customer expressed a desire to buy "karinto" fried dough cakes so we have enhanced our selection of Japanese-style sweets.

Anticipating customer needs, we make sure to keep the store fully stocked with sweets. We have received positive feedback for our efforts to order products based on a detailed idea of what customers are interested in. We continue to further enhance our product offerings to reflect the satisfied comments received from customers.

Offering product selections that satisfy a large number of customers is the best way to keep them coming back. Looking ahead, we will try adding vegetables and other kinds of produce to our lineup. I want to ensure that customers thoroughly enjoy shopping at MINISTOP.



Recommending Products from the Customer's Perspective

Akiko Ito, Store Employee
Motomiya Takagi Store (Fukushima Prefecture)

I am able to assist customers in their shopping by taking the time to speak with them. By closely observing customers, I can determine if they are searching for lunch, sweets or other items. I believe that it is important to quickly find what customers are looking for.

I'm in charge of ordering sweets. This requires me to be creative about adjusting product displays as sales are affected by the day of the week and the weather. I also focus my attention on making product displays that are aesthetically appealing and easy to see. When providing details on sales campaigns and new products, I carefully consider the best possible timing for approaching customers. In addition, I politely explain upcoming items to customers who have time to listen. For those customers who appear to be in a hurry, I simply put advertisements in the plastic bag along with their purchases and say, "here's more information on our upcoming products that you might be interested in." I feel as though I am expressing the desires of the customers when receiving product orders, which is a good feeling.



The Importance of Maintaining a Welcoming Attitude towards Customers

Mariko Yamashita, Assistant Store Manager
Kanishuuga Store (Gifu Prefecture)

Maintaining Quality, Service and Cleanliness (QSC) is important to create a welcoming atmosphere for customers. Since I manage four stores, the time I spend at each store is limited. However, checking on-site conditions is essential. I always make an effort to create clean and attractive stores to ensure that customers have an enjoyable shopping experience.

A customer recently remarked, "it's really nice to shop at a store that is bright and upbeat." I think comments like this reflect the fact that most store staff members have been working at my stores for a long time and always help each other. This kind of teamwork helps create stores that are inviting to customers.

I place a great deal of trust in my staff. They have steadily progressed since the stores opened and have improved their ability to create attractive stores. I believe that this dynamic work atmosphere has a positive effect on customers and helps make MINISTOP a great place to shop.

Main Business Office: Work with Franchise Stores to Bring Smiles to Customers



Giving product selection-related advice to a store staff member



Working together to deal with store-related issues

Akio Morita, Store Advisor
Kanagawa/Higashi Shizuoka Area,
Higashi Shizuoka Department, Store Operation Division

The Importance of Communication

MINISTOP convenience stores have in essence expanded nationwide through the sale of franchise stores. The main business office supports the operations of each store, which is run by a franchise owner. The basic function of store advisors is to visit the three or four stores they supervise each day to confirm that the four basic principles of Quality, Service and Cleanliness (QSC) and product selection are being adhered to. Store advisors work in unison with owners to ensure that stores are pleasant places for customers to shop at.

I have been a store advisor for about four and half years. Having always been interested in retailing, I wanted to work in convenience stores, which have a familiar presence and are closely linked to the local community. I decided to pursue a career with MINISTOP because their stores are based on a business model that is different from other convenience store chains and shows greater potential.

The most important aspect of a store advisor's duties is fostering communication and good relationships with owners. Managing a convenience store is a difficult job. Yet, there are times when it is difficult for owners to see what is required to maintain a well-balanced store. Rather than provide instructions in these situations, it is important to show owners and store staff that I am willing to work with them to create attractive stores.

Working Together with Franchise Stores to Achieve MINISTOP's Vision

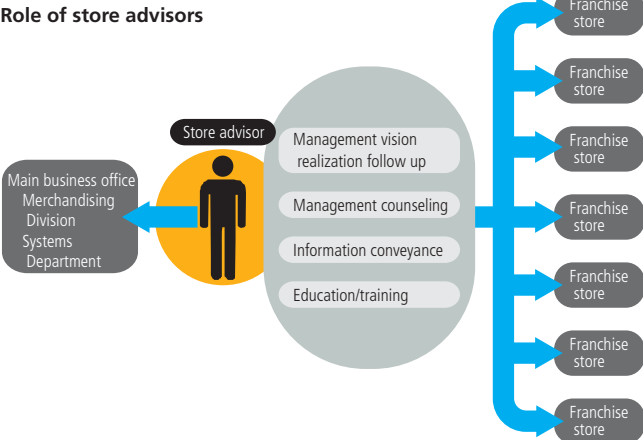
Achieving goals by working together with franchise stores always motivates me. I believe that achieving our goals (in other words, increasing sales) is the result of positive customer evaluations. Such successes are proof of the efforts I make with owners to devise and implement initiatives that benefit customers. Nothing inspires me more than the words of appreciation I receive from owners.

Aiming to fulfill our vision of improving the quality of MINISTOP coffee and rice balls even further has its challenges. Since coffee is an item that is enjoyed daily, quality management is important. I make every effort to maintain a high degree of quality at my stores year round while extending the amount of coffee servings for sale each day by 10 cups to ensure that we never run out. It goes without saying that preparing freshly brewed coffee 24 hours a day is labor intensive. It is critical to share with owners the value of serving delicious regular coffee at their convenience stores.

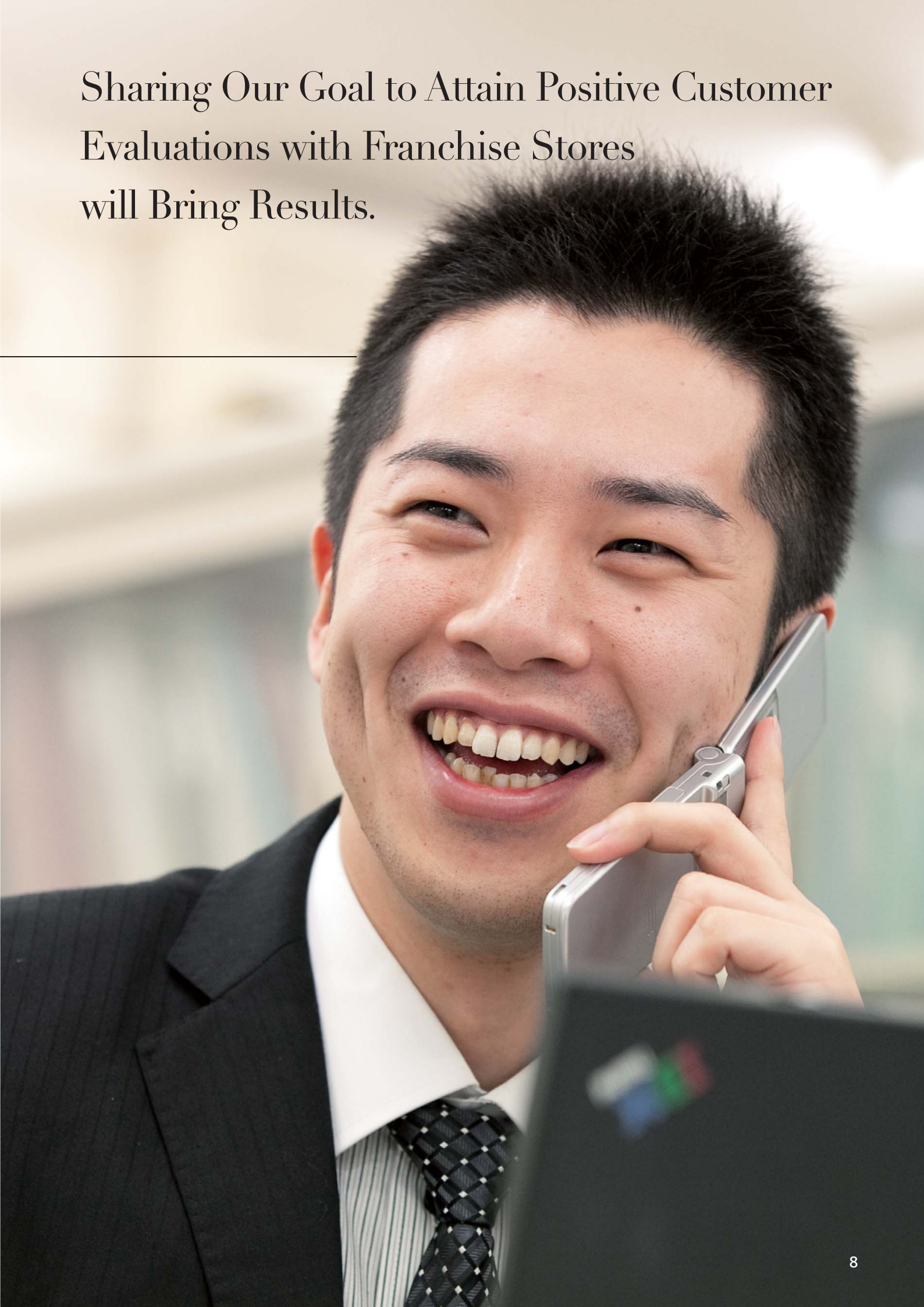
Regarding rice balls, we investigated the amount sold at each time of day. Based on these results, we increased rice ball sales by preparing them according to the times when demand is greatest, thus increasing sales and reducing waste. I am working to improve operations at franchise stores to ensure that rice balls are always prepared when customers desire them.

Store Advisors are the Bridge between Franchise Stores and the Main Business Office

The role of store advisors is to provide guidance to help owners generate profits. To this end, it is necessary to work together with owners to make shopping easier for customers and create attractive stores that will keep customers coming back. Store advisors also serve as a pipeline between owners and the main business office. By communicating closely with owners, store advisors can provide a better understanding of the background behind the main business office's policies. Stores that bring smiles to customers are realized through the shared goals of owners and the main business office.



Sharing Our Goal to Attain Positive Customer Evaluations with Franchise Stores will Bring Results.



Main Business Office: Aim to Make MINISTOP No.1

Realizing Accessible Product Lineups that Satisfy Every Customer

Akihiro Fujimoto
Director,
Managing Executive Officer in Charge of Merchandising

In fiscal 2011, MINISTOP took steps to enhance its three product categories: coffee, sweets and rice balls. This brought us closer to achieving our vision of becoming No.1 for convenience store customer satisfaction. We are able to provide unique products thanks to MINISTOP's high product development capabilities and its full-equipped kitchen facilities. We are also taking on the challenge of developing new product categories to attract women and seniors. We will realize product lineups that offer convenience and value for every customer.

Making M's STYLE COFFEE a Mainstay Product

MINISTOP's brand of freshly brewed coffee, M's STYLE COFFEE, has enjoyed steady annual sales growth. A critical element for this success is the uniform quality that has prompted many customers to make drinking freshly brewed coffee sold at convenience stores a daily habit. To achieve this, we must carry out numerous operations in an exacting manner, which includes maintaining proper coffee temperature and thorough equipment cleaning to eliminate bitterness. The unwavering quality of fast food operations undertaken throughout its chain of convenience stores since its foundation is the very reason why MINISTOP is able to build on its expertise in this area.

Once customers realize the value of our freshly brewed coffee's great taste and convenience, they will come back for more and, without a doubt, become fans of M's STYLE COFFEE. Based on this conviction, we have been offering customers free samples and engaging in various campaigns.

We are spreading the word to customers about the availability and great taste of MINISTOP's freshly brewed coffee, which they can enjoy at our stores every day. With this in mind, we are making M's STYLE COFFEE into a mainstay product that will help realize MINISTOP's vision.

Sweets that Bring Smiles on Various Occasions

In March 2011, we changed the flavor of our soft serve ice cream for the first time in 10 years, reducing its sweetness and making it smoother. Over the past year and a half, we have used this improved soft serve ice cream to give our parfaits and other kinds of sweets a refreshing taste.

MINISTOP's original sweets brand, HAPPYRICH SWEETS, was developed with the aim of creating sweets that are "happy and rich" to satisfy customers by offering the authentic deliciousness that comes from using select ingredients ("RICH") and the pleasure found in choosing highly attractive products ("HAPPY"). We are using our ingenuity to create great-tasting sweets that customers choose for many different occasions, such as unwinding after work, satisfying a craving for something sweet or enjoying a mid-afternoon snack.

Sweets are purchased by 15% more women than any other product category. In fiscal 2012, we began improving our sweets selections featuring fruit to a greater extent than ever before to further broaden our customer base of women and seniors. Looking ahead, we aim make HAPPYRICH SWEETS a brand that brings smiles to customers by offering a touch of luxury each and every day.



Freshly brewed coffee that offers convenience and great taste



Sweets enjoyed on any occasion



Rice balls carefully made by hand

Rice Balls Offer Great Taste that Comes Only from Handmade Freshness

As of May 2012, MINISTOP has introduced its handmade rice balls at about 1,100 stores, half of its total nationwide chain. MINISTOP leverages a corporate culture underpinned by expertise cultivated over 30 years through the operation of "combo" stores (which offer convenience store products and services as well as fast food prepared in-store) to make rice balls one of its undoubtedly unique products.

Boasting fully equipped kitchen facilities, MINISTOP maintains strict hygiene management, encompassing cleaning and equipment sterilization. We pay close attention to expiry dates on unopened ingredient packages while calculating the times that packages remain open at the store. These measures, in combination with setting sell-by dates for handmade rice balls, allow us to maintain strict freshness management.

MINISTOP's handmade rice balls have received high marks from women and seniors. We believe that this is owing to the freshly made deliciousness enabled by preparing rice balls in the store based on our exacting quality management system.

We are able to make rice balls that are always fresh for customers to enjoy by developing a level of operational knowhow that ensures these products are available precisely when customers desire them.

Offering Product Selections that Satisfy Seniors

Many seniors have avoided shopping at convenience stores, while others have been visiting them less in recent years. In response, MINISTOP has begun efforts to once again attract more seniors to its stores. To this end, we are bolstering our selections of such daily necessities as bread, milk and eggs while aiming to create accessible convenience stores.

In addition, many seniors desire prepared food selections as well as easy-to-make dishes that they can eat at home. To satisfy these needs, we will extend the value offered by MINISTOP convenience stores beyond just ready-to-eat food to include products that can be eaten at home and are easy to prepare.

In fiscal 2011, we released products made under the supervision of Yuki Aoyama, owner of the Aoya Store. This lineup of colorful MINISTOP products, which feature select ingredients, great taste and texture while offering healthy new eating habits, has been very well received by female and elderly customers. We aim to provide product selections that women and seniors use regularly by constantly expanding the development of these items.



Fair trade bananas that contribute to society

Contributing to Society Together with Customers

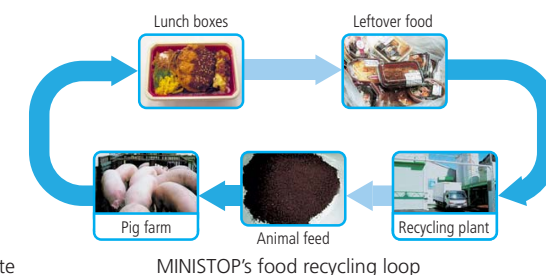
MINISTOP started selling fair trade products in October 2006 to make a social contribution through our retail operations. The regular purchase of fair trade products ensures that producers in developing countries can earn a stable income, which directly improves their lives. In November 2010, MINISTOP began selling for the first time Asia's first ever fair trade bananas, an addition to the coffee, orange juice, chocolate and other fair trade products already offered. Our fair trade bananas are grown at Yoshida Farms in the southern half of the island of Mindanao in the Philippines. As we are familiar with the producers and the distribution routes of these products, we can assure customers of their safety and reliability.

In October 2011, we launched the MINISTOP Fair Trade Research Center and set up a Facebook® page in order to familiarize customers with the fair trade products we sell. MINISTOP will continue to promote such initiatives with an appreciation of fair trade producers and with a keen interest in seeing them succeed.

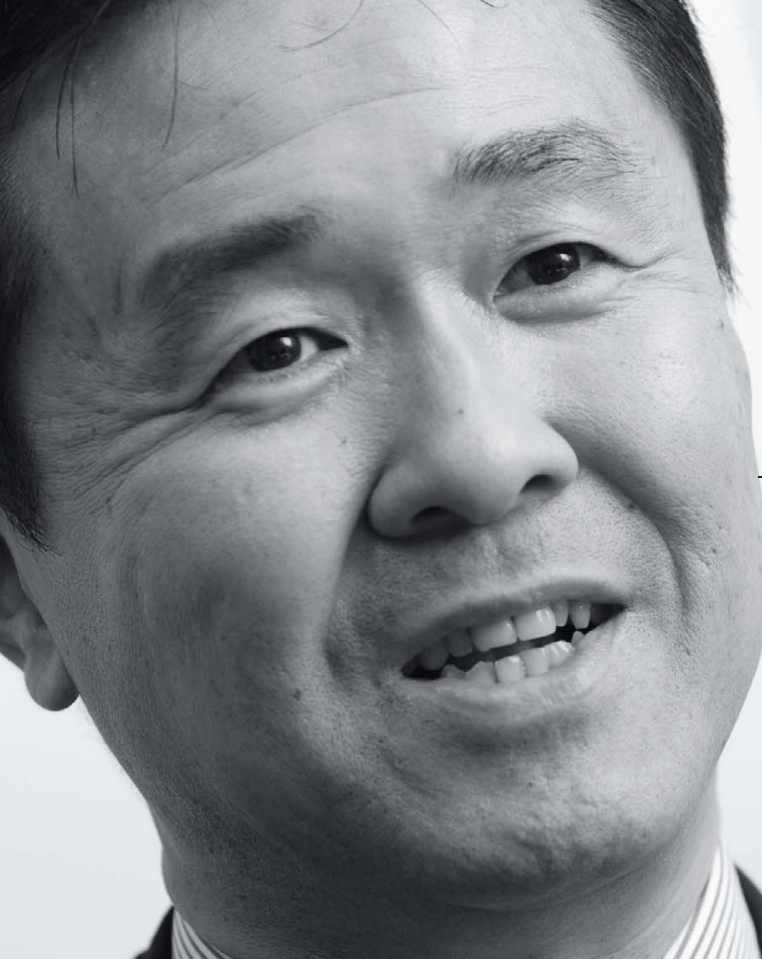
Effectively Using Resources through the Effective Use and Recycling of Leftover Food

MINISTOP implements various initiatives based on its 4R concept, which adds "reasonable disposal" as a 4th R to the 3Rs of reduce, reuse, and recycle. To reduce waste, we are reducing the amount of plastic bags and disposable chopsticks used in our stores by asking customers to cooperate with our efforts to save resources. We also send any reusable store equipment to the MINISTOP Repair Center to refurbish and use again. We recycle the food from unsold box lunches as animal feed for pigs and other livestock in an effort to reuse resources. In addition, 100% of used oil produced from in-store food preparation is recycled into animal feed, soap and ink. MINISTOP aims to create a "food recycling loop" that enables it to, in essence, reuse pork from pigs that have been raised on animal feed recycled from the Company's products. As a result of these efforts, we achieved a food recycling ratio of 46.7% in fiscal 2011. We will continue to promote the effective use of resources to fulfill our responsibilities as a member of the food industry.

Moreover, we will enhance our product lineups by taking advantage of such technological innovations as chilled lunch boxes and work to increase their sales. Through these environment friendly activities, we are creating a virtuous circle that increases sales and reduces waste.



MINISTOP's food recycling loop



Aiming to Support Owner Success by Creating Stores That Bring Smiles to an Even Greater Number of Customers

Junichi Furukawa
Executive Officer,
General Manager, Store Development Division

During last year's disaster, MINISTOP helped ensure the flow of everyday essentials; reaffirming our public infrastructure role. Through its business operations, MINISTOP offers deliciousness and convenience to local communities. Creating stores that bring smiles to customers is the role of the Store Development Division. We realize successful franchise stores where owners feel that becoming a MINISTOP store owner was worthwhile. To this end, we build relationships of trust with owners as we work together to "bring smiles to an even greater number of customers."



Achieve Further Growth by Expanding MINISTOP's Mission

Akihiko Maeda
Director, Executive Officer in Charge of Business Strategies

MINISTOP's mission is to "realize a society full of beaming smiles with 'deliciousness' and 'convenience'" not only in Japan but overseas and through a new type of retailing model. MINISTOP's overseas operations as of May 2012 comprise South Korea, the Philippines, China (Qingdao) and Vietnam, with store openings planned in Kazakhstan. We are expanding RECODS Co., Ltd.,* which blends the convenience and drug store into a new business model. Through these businesses, we are promoting growth strategies throughout the MINISTOP Group.

*RECODS Co., Ltd. is a combination convenience/drug store chain jointly owned by CFS Corporation, Takiya Co. Ltd. and MINISTOP that is expanding franchise stores.

Promoting Energy Conservation through Store Improvements and Elimination

Impacted by power shortages that occurred in the aftermath of last year's disaster, we implemented various energy saving initiatives at MINISTOP's main business office and stores. In particular, unnecessary lights were shut off and air conditioners were set to higher temperatures at our stores. We were able to conserve energy thanks to customer understanding and cooperation, reaffirming the importance of reducing electricity everyday and, in turn, the need to protect the environment.

In November 2010, we set a target of reducing annual energy consumption per store by 12 percent below the fiscal 2007 level by fiscal 2015. To achieve this goal, we are replacing store equipment including refrigerators, freezers, lighting and air conditioners (which accounts for most of the electricity consumed by MINISTOP stores) with the latest energy-efficient models.

In addition, we will improve energy conservation by increasing the number of new stores. Specifically, we will close older stores and open new ones installed with the latest, high-efficiency equipment. Twenty new stores are scheduled to be built annually, and we will continue using domestically grown FSC-certified* timber for their construction.

*FSC-certified: Certification provided to forest products produced in a sustainable manner with due consideration given to forest preservation and where profits stay within the local community.

Providing Safe and Reliable Infrastructure

MINISTOP cooperates with local police departments and governments to create safe and reliable communities through the role convenience stores play as "safety stations." As such, we are drafting a manual covering such areas as strengthening voluntary crime prevention systems to combat robbery and shoplifting; notifying authorities during medical emergencies; providing safety zones for women and children; and assisting the elderly and physically disabled with their shopping while enhancing communication. In December 2011, Maebashi Higashi Police Department praised the MINISTOP Maebashi Higashikatai Store (Gunma Prefecture) for its efforts to prevent bank transfer scams.

Members of the local community have commented that MINISTOP's brightly lit stores provided a feeling of safety on dark evenings during the disaster and subsequent power shortages. As society ages and single-person households increase, MINISTOP's role in this age of diminishing interpersonal bonds is to provide safe and reliable infrastructure through local stores that are convenient and accessible. We aim to foster communities where people feel connected to each other through the communication created at stores that have an indispensable function in local communities.

Applying Japanese Customer Service Standards Overseas

Convenience stores in Japan have accumulated an advanced level of retailing expertise as they have grown. By utilizing this expertise in the expansion of chain stores overseas, we can provide a degree of deliciousness and convenience never before experienced by customers in each country we do business. In addition, MINISTOP contributes to the economic development in these countries and improves people's lifestyles by fully realizing its role in contributing to regional infrastructure. We gain the trust of local communities by proactively fulfilling our social mission overseas. This mission is strongly demanded of the convenience store industry and encompasses such areas as quality management and compliance.

Although we work to localize our products and services to conform with each country's needs, we aim to maintain customer service at the same high standard expected in Japan. Maintaining the world-renown Japanese level of customer service as MINISTOP expands to other countries poses challenges. Realizing this goal, however, will greatly differentiate MINISTOP from the competition. Sharing MINISTOP's corporate mission with the entire staff, we are upgrading training to fully instill the idea that the customer is No. 1 and to determine the best actions to realize this. With this in mind, the MINISTOP Group is aiming for further growth.

Applying MINISTOP's Expertise to New Business Models

RECODS Co., Ltd. is developing a completely new format that combines the features of both convenience and drug stores. Blending the expertise and management resources of Aeon's two consolidated drug store subsidiaries (CFS Corporation and Takiya Co. Ltd.) with those of MINISTOP, RECODS was established with the aim of realizing each company's growth strategy through collaborative efforts to create more competitive stores. Based on the new type of retailing model of "local health care and lifestyle support stations," RECODS is able to provide new value to customers in the communities it serves. RECODS appeals to an even broader customer segment by combining drug store product lineups with fast food and other items offered at convenience stores.

Looking ahead, we will promote the development of the RECODS model and plan to sell small and medium-sized drug stores as part of our franchise package. By supporting RECODS franchise owners' efforts to improve operations, we are fulfilling MINISTOP's mission.



Store opening ceremony



Store LED lighting



A store being made with FSC-certified timber



Store in Vietnam



A South Korean store staff member



RECODS, MINISTOP's new business model

A Word from the President



MINISTOP Aims to Create a Society Full of Beaming Smiles by Valuing its Relationships with Stakeholders

Nobuyuki Abe
President and Representative Director, MINISTOP CO., LTD.

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Mission of MINISTOP

This mission expresses our duties.

We realize a society full of
beaming smiles with
“deliciousness” and “convenience.”

Vision of MINISTOP

Our vision is to be No.1.

We aim to have the best stores and employees to
ensure that our customers continue to choose us.

Our vision is to become No.1
for convenience store customer satisfaction
by the end of fiscal 2013.

To achieve this, we aim to become
MINISTOP, the place for coffee
MINISTOP, the place for sweets
MINISTOP, the place for rice balls
in people's minds.

Aiming to Provide Services that Support Customer Lifestyles

Firstly, I would like to express my heartfelt condolences to all victims of the Great East Japan Earthquake, which struck in March 2011. MINISTOP worked to resume the provision of deliciousness and convenience offered by its stores to disaster stricken areas as quickly as possible. To that end, employees from the main business office developed a system to support stores directly impacted by the disaster. With every MINISTOP family fulfilling their role, MINISTOP rapidly restored operations, for which I am very grateful. In light of the assistance we received from stakeholders, it goes without saying that various business functions, including stores, products and the logistics that link these together, are critical to maintaining MINISTOP's operations. However, I was struck by how truly indispensable people working together for a single purpose are for sustaining our business.

As a result of the disaster, many people who had not previously shopped at MINISTOP began to visit nearby stores to purchase necessary items. I believe that meeting customer needs by providing products and services that support their daily lives is MINISTOP's most important responsibility.

Steadily Realizing MINISTOP's Vision

We are promoting our vision to make MINISTOP No.1 for convenience store customer satisfaction by the end of fiscal 2013, based on our coffee, sweets, and rice balls. We aim to improve customer satisfaction and achieve this vision by providing unique, high-value-added products in these categories. In fiscal 2011, we received solid customer evaluations in these three categories.

Regarding MINISTOP's freshly brewed coffee, we are vigorously promoting the new habit of enjoying M's STYLE COFFEE, which is not only great tasting, but available all day long. To this end, this brewed drip coffee is now available 24 hours a day at every convenience store nationwide, and we are going to great lengths to maintain consistently high quality. Our obsession with perfect brew is aided by MINISTOP's unique hygiene and freshness management knowhow. This knowhow has been cultivated in MINISTOP “combo” stores, which offer convenience store products and services as well as fast food prepared in-store.

We launched the Sweets Department in February 2011 to enhance our selection of both fast food-style and convenience store sweets. Thanks to these efforts, we have increased the value of both types of MINISTOP-brand sweets and, in turn, significantly improved sales compared with last year. We will cultivate brands that meet customer needs to an even greater degree by redoubling our product development activities.

We have received high marks for our handmade rice balls, especially from female and elderly customers. We will aggressively work to attract more women and seniors to our stores by offering delicious, high-quality rice balls.

Above all, the most fundamental and important elements for satisfying customers can be found in the Quality, Service and Cleanliness (QSC) that supports all these products. Pursuing QSC will enable us to provide high-value-added products that make customers feel good about shopping at MINISTOP, keep them coming back and help us to become the No.1 convenience store chain. I have no doubt that our vision will be achieved by pursuing business development and expansion while working to realize a society full of beaming smiles.

Creating Convenience Stores Indispensable to a Wide Array of Customers

The growth of the above three product categories, which support the realization of our vision, will be achieved by taking full advantage of MINISTOP's unique culture rooted in its in-store preparation capabilities. Based on this, we will concentrate on preparing food items using MINISTOP's kitchen facilities. In addition, we will enhance convenience further by boosting our selection of daily necessities while improving store location, size and hours of operation. We are also working to reliably determine the needs of men in their 30s and 40s, who have been, and continue to be, an important customer segment. At the same time, we are aiming to create stores featuring product selections that encourage repeat visits by women and the elderly. To address the issue of an aging society, MINISTOP will open stores in urban areas where daily shopping is inconvenient and offer product lineups not yet sold at convenience stores. Through these actions, we will provide seniors with peace of mind and contribute to the realization of a society full of beaming smiles.

As a member of society, promoting environmentally friendly business operations is very important. Our experience following the disaster affirmed the importance of steadily saving energy every day. With this in mind, we will pursue initiatives to conserve an even greater amount of electricity. In fiscal 2011, we proactively installed LED lighting at our stores, leading to a reduction in electricity while raising operational efficiency. Looking ahead, we will engage in environmental activities based on our attributes as a retailer, which are vital for the ongoing growth of both MINISTOP and society.

Overseas Businesses Contribute to Japan's National Strength

In fiscal 2012, the number of overseas MINISTOP convenience stores exceeded those in Japan. Already operating in South Korea, the Philippines, China and Vietnam as of May 2012, MINISTOP is scheduled to open convenience stores in other countries in the near future. In order to accelerate new store openings overseas, we will localize products to suit the needs of individual countries while aiming to introduce Japanese standards of customer service. We intend to show MINISTOP's value to the world by sharing with overseas employees the feeling of happiness we get from the smiling customer faces and delivering Japanese standards of customer service to the global stage.

Convenience stores are a segment of the retail industry featuring an unsurpassed level of customer service, an area where Japan excels. Using this expertise to expand business overseas contributes to the economic and cultural development of countries overseas. In return, I believe these actions help Japanese companies increase Japan's national strength. This is a role MINISTOP must fulfill as a member of the Japanese retail industry.

MINISTOP's corporate mission is to realize a society full of beaming smiles. Making customers smile does not on its own lead to a society full of beaming smiles. Nevertheless, the smiling faces of others are the source of our smiles. Our actions bring smiles to those around us and those smiles spread to others. The value created by these smiling faces is the essence of retailing.

Promoting our core businesses while taking on the challenge of creating new ones will increase earnings and growth. These actions will in turn bring smiles to a greater number of stakeholders, including customers, local communities, shareholders, business partners, franchise stores and employees. Steady efforts at improving QSC are essential to achieve this aim. Based on this, we are pursuing our vision to become No.1 for convenience store customer satisfaction. We will promote our corporate social responsibility to fulfill MINISTOP's social mission through our daily business operations.

MINISTOP CSR Report 2012 Performance Data Sheet

Period covered: Fiscal 2011 (March 1, 2011 through February 29, 2012)

This is a summary of key data for the MINI Report. Please refer to the MINISTOP website for full details on our activities.
http://www.ministop.co.jp/corporate/eco_social/ (Japanese Only)

● Corporate Profile (as of February 29, 2012)

Name: MINISTOP CO., LTD.

Scope of Business: Develops the convenience store MINISTOP as AEON's strategic small scale store business. Signs a franchise contract with people who want to manage a MINISTOP store and provides product information and management know-how.

Representative: Nobuyuki Abe, President and Representative Director

Date Established: May 21, 1980

Capital: ¥7,491 million

Stock Exchange Listing: Tokyo Stock Exchange, First Section

Company Headquarters: 1-1 Kanda-Nishikicho, Chiyoda-ku, Tokyo 101-0054

Main Business Office: 1-5-1 Nakase, Mihama-ku, Chiba City, Chiba 261-8540

Offices: Makuhari Office, Tokai District Office, Tohoku District Office, Kinki District Office, Kyushu District Office

Number of Stores: MINISTOP CO., LTD. 2,046 stores
 N-B-G MS Network Co., Ltd. 42 stores
 MINISTOP KOREA CO., LTD. 1,713 stores
 ROBINSONS CONVENIENCE STORES, INC. 327 stores
 QINGDAO MINISTOP CO., LTD. 30 stores
 G7-MINISTOP SERVICE & TRADING JOINT STOCK COMPANY... 2 stores
 RECODS. Co., Ltd. 17 stores

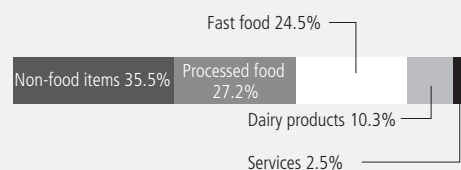
Number of employees: 864

● Economic Report

Consolidated	(million yen)		
FY	2009	2010	2011
Operating revenues	108,880	113,889	122,209
Operating income	4,058	7,646	7,712
Ordinary income	4,929	8,577	8,605
Net income	1,623	3,414	3,099
Net income per share (¥)	56.15	118.08	107.16

Non-consolidated	(million yen)		
FY	2009	2010	2011
Revenues – including franchise stores	300,442	322,043	355,525
Total operating revenue	59,007	59,667	64,115
Operating income	3,148	6,622	7,049
Ordinary income	3,990	7,432	7,844
Net income	1,073	2,910	2,678
Net income per share (¥)	37.13	100.65	92.61

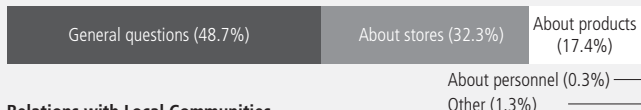
Revenues, by Product Category (non-consolidated) in FY2011



● Social Report

Relations with Customers

Number of calls received by Call Center, by category Total of 19,235 (108.6% versus FY2010)



Relations with Local Communities

FY	2009	2010	2011
Number of students participating in the Student Internship Program	908	958	891
Number of fair trade products sold	1,360,000	850,000	1,090,000
FY2011 total amount of donations collected at stores	¥144,128,815 (including ¥16,733,532 for Circle of Flowers program)		

MINISTOP and Our Franchise Stores

FY	2009	2010	2011
Number of franchise contracts	253	303 (including 131 franchise stores gained from the merger with MS Kyushu)	—
Franchise store openings (including relocated existing stores)		—	—
Franchise stores closing during contract period (including stores closed before relocation)	106	104	—
Franchise stores renewing contracts	84	106	—
Franchise stores not renewing contracts	36	38	—
Litigation cases between franchise stores and the main business office	1	1	—

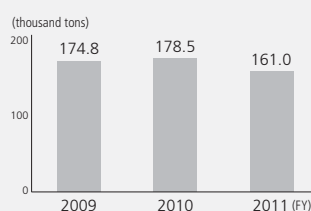
MINISTOP and Our Employees

FY	2009	2010	2011
Number of hires	64	82	61
Average age	37 years	37 years, 9 months	38 years, 9 months
Average years of consecutive service	10 years, 3 months	10 years, 5 months	11 years
Attrition rate	5.08%	4.78%	5.21%
Number of female managers	6	5	4
Ratio of employment of disabled persons	2.52%	2.69%	2.76%
Number of employees using childcare leave	5	2	9
Percentage of staff receiving physical examinations (basic) between April and the following March. (including stores closed before relocation)	100%	98%	98%

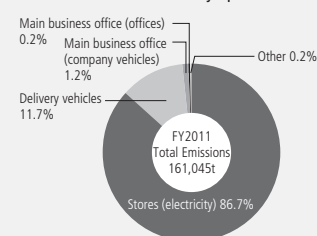
● Environmental Report

Carbon Dioxide Emissions

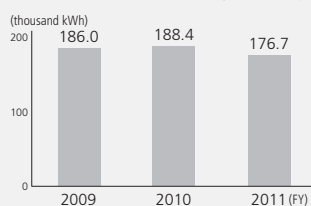
Total carbon dioxide emissions



Carbon dioxide emissions by operation



Annual Amount of Electricity Consumption Per Store



MINISTOP reduction target:

Reduce annual amount of energy consumption per store by 12% compared with FY2007 in FY2015

FY2007 result 192,086kWh
 FY2011 result 176,654kWh
 FY2015 target 169,036kWh

Target set in the Japan Franchise Association's (JFA) Voluntary Action Plan:

Reduce the energy intensity per store by an average of 23% compared with the reference year (FY1990) between FY2008 and FY2012.

FY2011 result 0.123kWh/m² h

The average amount between FY2008 and FY2011 0.130kWh/m² h

Reduce by 27% compared with FY1990 (future achievement)

Note: Average energy intensity is the energy consumption volume per average unit of floor space divided by the normal hours of store operation per day.

Food Recycling Ratio

FY	2009	2010	2011
Food recycling ratio (%)	48.7	46.7	46.7

Number and Weight of Plastic Bags Used Per Store Annually

FY	2009	2010	2011
Number of plastic bags used	218,868	223,672	224,259
Weight used (kg)	687	707	718

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Environmental, Social Contribution Section & Personal Information Team,
Communication Promotion Dept., MINISTOP CO., LTD.

MINISTOP CSR Report 2012

MINI Report Survey

Please Send Us Your Opinions and Feedback
Email: hp@ministop.co.jp

Thank you for reading the MINISTOP CSR Report 2012. We would like to know what you think of our activities and operations. Please send us your opinions and comments by fax or e-mail. Your input will be used to help determine our future activities and how we can continue to improve.

1. What was your overall impression of the MINISTOP CSR Report (hereafter "Report")?

- | | | | |
|--------------------|----------------------------------------|-------------------------------------|---------------------------------------|
| Understandability: | <input type="checkbox"/> Easy | <input type="checkbox"/> Average | <input type="checkbox"/> Difficult |
| Readability: | <input type="checkbox"/> Easy | <input type="checkbox"/> Average | <input type="checkbox"/> Difficult |
| Content: | <input type="checkbox"/> Comprehensive | <input type="checkbox"/> Average | <input type="checkbox"/> Inadequate |
| Information: | <input type="checkbox"/> Excessive | <input type="checkbox"/> Sufficient | <input type="checkbox"/> Insufficient |
| Design: | <input type="checkbox"/> Good | <input type="checkbox"/> Average | <input type="checkbox"/> Bad |

2. Please indicate the sections of the Report that interested you most. (Multiple answers allowed)

- ☐ P. 1–2 Customer Feedback
- ☐ P. 3–4 Stores: Realize Stores Full of Beaming Smiles
- ☐ P. 5–6 Stores: Create Stores That Offer Value to Customers
- ☐ P. 7–8 Main Business Office: Work with Franchise Stores to Bring Smiles to Customers
- ☐ P. 9–12 Main Business Office: Aim to Make MINISTOP No. 1
- ☐ P. 13–14 A Word from the President
- ☐ No section of the Report interested me.

3. Please provide reasons for the above choice(s).

[

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4. What topics would you like to see in future reports? (Multiple answers allowed)

- | | | |
|----------------------------------------------------|------------------------------------------------------|------------------------------------------------------|
| <input type="checkbox"/> Store service | <input type="checkbox"/> Product categories/features | <input type="checkbox"/> Product quality/ safety |
| <input type="checkbox"/> Environmental initiatives | <input type="checkbox"/> Social activities | <input type="checkbox"/> Company/Group organizations |
- Other

[

]

5. What areas would you like MINISTOP to work on in the future?

[

]

6. Please share any other opinions or comments you would like to communicate to us.

[

]

Region in which you live

Gender (M • F) Age range ()

Prefecture

City/Town

Note: Please do not include personal identifiers such as your street number or apartment building name.

From what perspective did you read the report? (Check up to 2 boxes.)

- | | | | |
|---------------------------------------------------------|-----------------------------------------------------------|----------------------------------|---------------------------------------------------------------------------|
| <input type="checkbox"/> Customer | <input type="checkbox"/> Business partner | <input type="checkbox"/> NGO/NPO | <input type="checkbox"/> Environment/CSR officer for company/organization |
| <input type="checkbox"/> Shareholder | <input type="checkbox"/> Research/educational institution | <input type="checkbox"/> Student | <input type="checkbox"/> Governmental body |
| <input type="checkbox"/> Involved with a MINISTOP store | <input type="checkbox"/> Other () | | |

Thank you very much.