

Monthly Business Report in September, 2009

【Sales】

		Circle K Sunkus	
		Month	Year-to-date
Existing-stores	Average daily sales per store (thousand yen)	480	488
	Y-on-y (%)	-7.6	-3.9
	Average number of daily customer per store	856	855
	Y-on-y (%)	-5.4	-2.5
	Average purchase per customer (yen)	561	571
	Y-on-y (%)	-2.3	-2.6
Total chain stores	Y-on-y sales (%)	-6.7	-2.8
	Average daily sales per store (thousand yen)	477	486
	Y-on-y (%)	-6.7	-2.9

(Note) The figures shown in the sales table exclude area franchisers.

【Stores at the end of the month】

		Circle K Sunkus	
		Month	Year-to-date
Stores at Circle K Sunkus (Company-owned and franchised)	opened	6	146
	closed	21	148
	total	4,937	
Stores at 13 area franchisers	opened	1	39
	closed	9	30
	total	1,236	
Stores at Circle K Sunkus (Subtotal)		6,173	
99 ICHIBA stores	opened	0	9
	closed	0	3
	total	67	
Grand total number of stores		6,240	

【Overview】

In September 2009, Circle K Sunkus launched the *Otegoro Bento* series (398 yen) of value-priced boxed lunches offering superior quality relative to price, in response to the low-price preferences of customers. Sales campaigns were also held for rice balls and countertop fast food during Japan's extended "Silver Week" of consecutive public holidays this autumn. Other sales campaigns were also held at the same time, including the *Okkaidoku Sale* covering snacks, general merchandise and other products, and the *Imadake Otoku Sale* for soft drinks. On the other hand, tobacco sales dropped 6% year on year, after the boost in sales from the introduction of taspo card systems ended a full year after their introduction. Consequently, existing store sales decreased 7.6% year on year.

【 Product Details】(Note) Percentage figures in the following paragraphs represent year-on-year comparisons of sales per store.

- Boxed lunch sales showed signs of improvement over the previous month, helped partly by the launch of the *Otegoro Bento* series in September. In addition, the Company held a sales campaign offering five best-selling rice ball items at 100 yen each over the “Silver Week” holiday. As a result, rice ball sales increased during the sales campaign period. However, these efforts were unable to lead to an overall improvement in rice dish sales, with overall rice dish sales remaining weak. Going forward, Circle K Sunkus will continue to stock four items from the *Otegoro Bento* series on store shelves at all times. On the other hand, premium boxed lunches will be offered at the end of every month shortly after pay days. In this manner, Circle K Sunkus will stock products that address the increasingly dual nature of consumption, with the aim of driving an overall improvement in rice dish sales.
- In September, the *Cherie Dolce* original dessert selection saw an overall improvement in sales over the previous month. This was mainly because new products such as *Shittori Noukou Chocola* (Moist and Creamy Chocolate Mousse; 120 yen), a value-priced dessert packaged in a cup, made a positive contribution to sales on top of sales of existing products. Meanwhile, overall processed noodle sales decreased year on year as sales of the original *rubetta* pasta range declined, despite strong sales of Japanese-style pasta dishes and extra-large pasta dishes.
- In September, overall ticket sales continued to grow significantly due to the start of Ticket PIA sales in July via *KARUWAZA STATION* in-store multimedia terminals. Together with growth in sales from the *Net Preca* service, overall service category sales were higher year on year. On the other hand, overall processed food category sales were lower year on year, as strong sales of original snacks driven by a *KARUWAZA Discount* campaign were unable to lift overall sales. Beverage and ice cream sales also remained weak.

【 Please Note 】

September 11, 2009 : Circle K Sunkus Expands Sports Promotion Lottery Services

⇒ From September 28, Circle K Sunkus has added six new services to its range of services for the Sports Promotion Lottery “toto.” New services include the convenience store industry’s first prize money payback (under 10,000 yen) service. This development follows the start of Sports Promotion Lottery “toto” sales in March 2009 via *KARUWAZA STATION* in-store multimedia terminals.

September 15, 2009 : Circle K Sunkus to Unveil *Cherie Dolce α* (*Cherie Dolce Alpha*)

⇒ From November, Circle K Sunkus intends to augment the brand power of its *Cherie Dolce* original dessert selection with the addition of the all-new *Cherie Dolce α* (*Cherie Dolce Alpha*) series of room-temperature baked and semi-fresh (*hannamagashi*) confectionery to the lineup. The Company is looking to provide an even wider range of desserts with an authentically delicious taste to ensure that the *Cherie Dolce* brand continues to capture the hearts of customers. Through this process, Circle K Sunkus aims to make *Cherie Dolce* a comprehensive sweets brand.

September 17, 2009 : Circle K Sunkus Launches the *Atsumen* Hot Noodles Series

⇒ On September 29, Circle K Sunkus unveiled the all-new *Atsumen* series of microwave noodles. This series provides piping hot noodle dishes that can be prepared by simply putting the noodles in a microwave oven. The *Atsumen* series has been developed with the utmost care given to food materials and preparation methods, and is available at a range of prices, from value-priced dishes at around 200 yen to premium dishes at the 400 yen level.

Circle K Sunkus announced results for the first half of fiscal 2010 on October 2, 2009 (Friday). The Fiscal 2010 First-Half Earnings Report (*Kessan Tanshin*) and supplementary financial information have been posted on Circle K Sunkus’ website. Presentation materials for an earnings presentation conference for analysts held on October 5 can also be viewed on the website.