

Interim Business Results

For the Six Months Ended August 31, 2002



C&S Co., Ltd.

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1 Number of Stores for the Interim Period

2002/8		Actual	(Stores)	
			Projected (Difference)	
Stores opened		206	232	-26
Stores closed		77	84	-7
Franchised and Company-owned stores		4,850 (+129)	4,869	-19
Stores opened		82	87	-5
Stores closed		29	27	+2
Area franchised stores		1,226 (+53)	1,233	-7
Stores opened		288	319	-31
Stores closed		106	111	-5
Group total		6,076 (+182)	6,102	-26

(Note) Figures enclosed in parentheses after number of stores at August 31, 2002 represent the increase in the number of stores since February 28, 2002.

2 Consolidated Results



(Yen in million)

2002/8	Actual	
		Year-on-year
Sales of franchised and Company-owned stores	454,528	+3.4%
Y-o-y change in existing-store sales	-2.5%	-
Sales of Group	556,871	+4.6%
Y-o-y change in existing-store sales	-2.5%	-
Total operating revenues	80,956	+2.9%
Gross profit	63,231	+3.5%
Operating income	14,550	-2.7%
Recurring profit	14,227	-2.4%
Net income	7,262	-6.1%

**Projected
(Difference)**

460,200	-5,672
-0.9%	-1.6%
564,600	-7,729
-	-
80,500	+456
63,600	-369
14,400	+150
13,800	+427
6,800	+462

3 Results of Circle K



(Stores, Yen in million)

2002/8	Actual
Stores opened	121
Average daily sales (Yen in thousand)	446
Stores closed	47
Net increase in Area Franchised	10
Stores at term-end	2,912 ^(Note) (+84)

Projected (Difference)	
108	+13
470	-24
54	-7
14	-4
2,896	+16

2002/8	Actual	Year-on-year
Sales of franchised and company-owned stores	246,837	+3.0%
Y-o-y change in existing-store sales	-2.6%	-
Total operating revenues	47,689	+1.6%
Gross profit	33,867	+3.1%
Average product markup	28.4%	+0.1%
Operating income	8,300	-1.5%
Recurring profit	8,125	-3.5%

Projected (Difference)	
248,000	-1,163
-1.5%	-1.1%
47,250	+439
33,800	+67
28.5%	-0.1%
8,070	+230
7,700	+425

(Note) Figures enclosed in parentheses after number of stores at August 31, 2002 represent the increase in the number of stores since February 28, 2002.

4 Results of Sunkus



(Stores, Yen in million)

2002/8	Actual
Stores opened	85
Average daily sales (Yen in thousand)	522
Stores closed	30
Net increase in Area Franchised	43
Stores at term-end	3,164 (Note)(+98)

Projected (Difference)	
124	-39
504	+18
30	±0
46	-3
3,206	-42

2002/8	Actual	Year-on-year
Sales of franchised and company-owned stores	207,691	+4.0%
Y-o-y change in existing-store sales	-2.4%	-
Total operating revenues	33,266	+4.9%
Gross profit	29,364	+3.8%
Average product markup	29.0%	0.0%
Operating income	6,687	-4.9%
Recurring profit	6,510	-6.0%

Projected (Difference)	
212,200	-4,509
-0.2%	-2.2%
33,250	+16
29,800	-436
29.2%	-0.2%
6,830	-143
6,680	-170

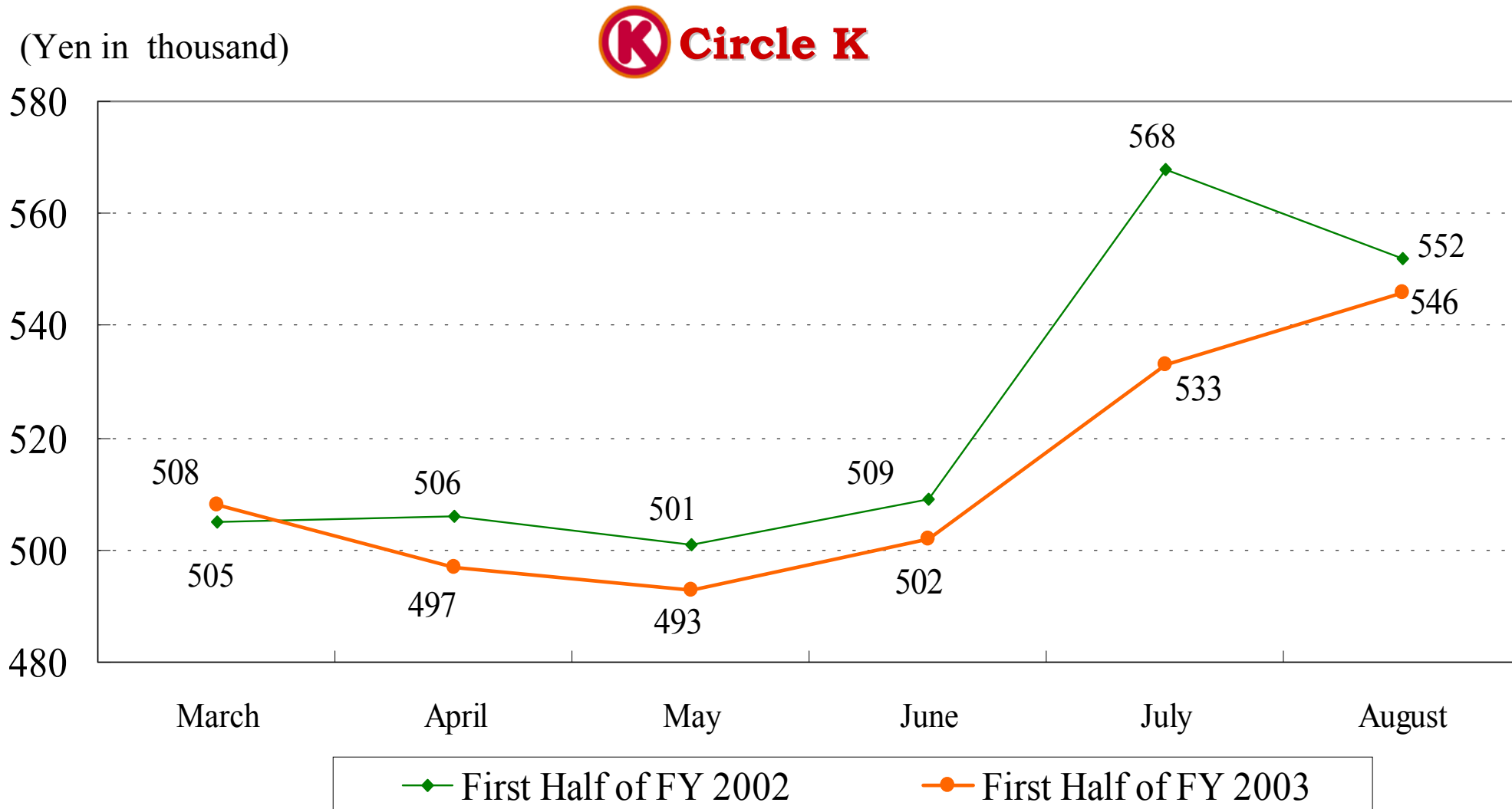
(Note) Figures enclosed in parentheses after number of stores at August 31, 2002 represent the increase in the number of stores since February 28, 2002.

5 Newly Opened Stores

		(Stores)		
2002/8	Circle K	Sunkus	C&S	
Total of newly opened stores		121	85	206
Newly opened stores		108	75	183
Relocated stores		13	10	23
Average daily sales (Yen in thousand) ^(Note)		446 (+5)	522 (+28)	-
Percentage of Stores Licensed to Sell Alcoholic Beverages or Tobacco				
Alcoholic beverages		27.3%	55.3%	38.8%
Tobacco		87.6%	81.2%	85.0%
Both alcoholic beverages and tobacco		26.4%	42.4%	33.0%
Unlicensed		11.6%	5.9%	9.2%

(Note) Figures enclosed in parentheses after average daily sales represent change on the same period last year.

6 Average Daily Sales per Store at Circle K



Average daily sales per store for the interim period ¥513,000

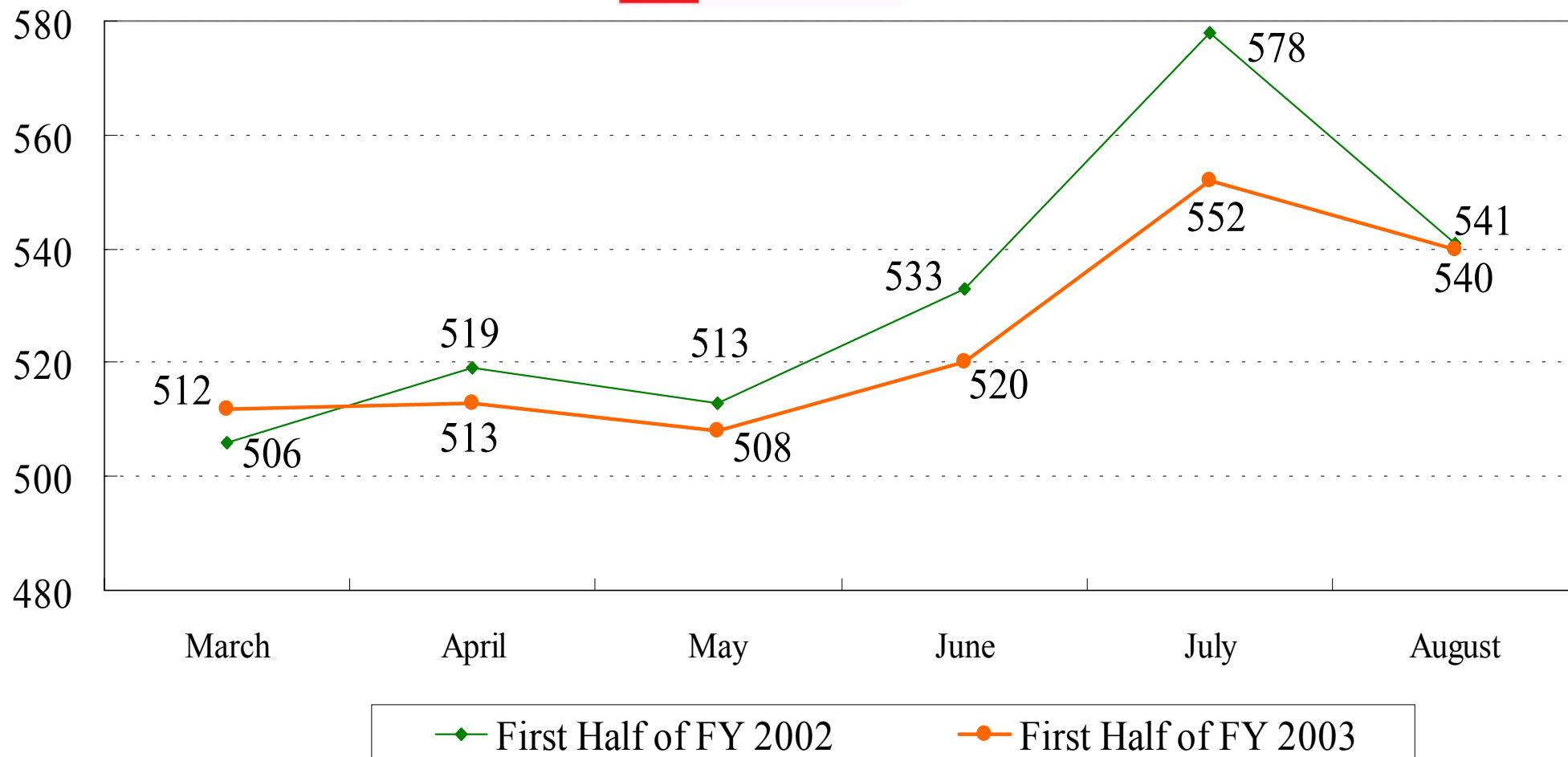
Change on the same period last year ¥-11,000

7 Average Daily Sales per Store at Sunkus



Sunkus

(Yen in thousand)



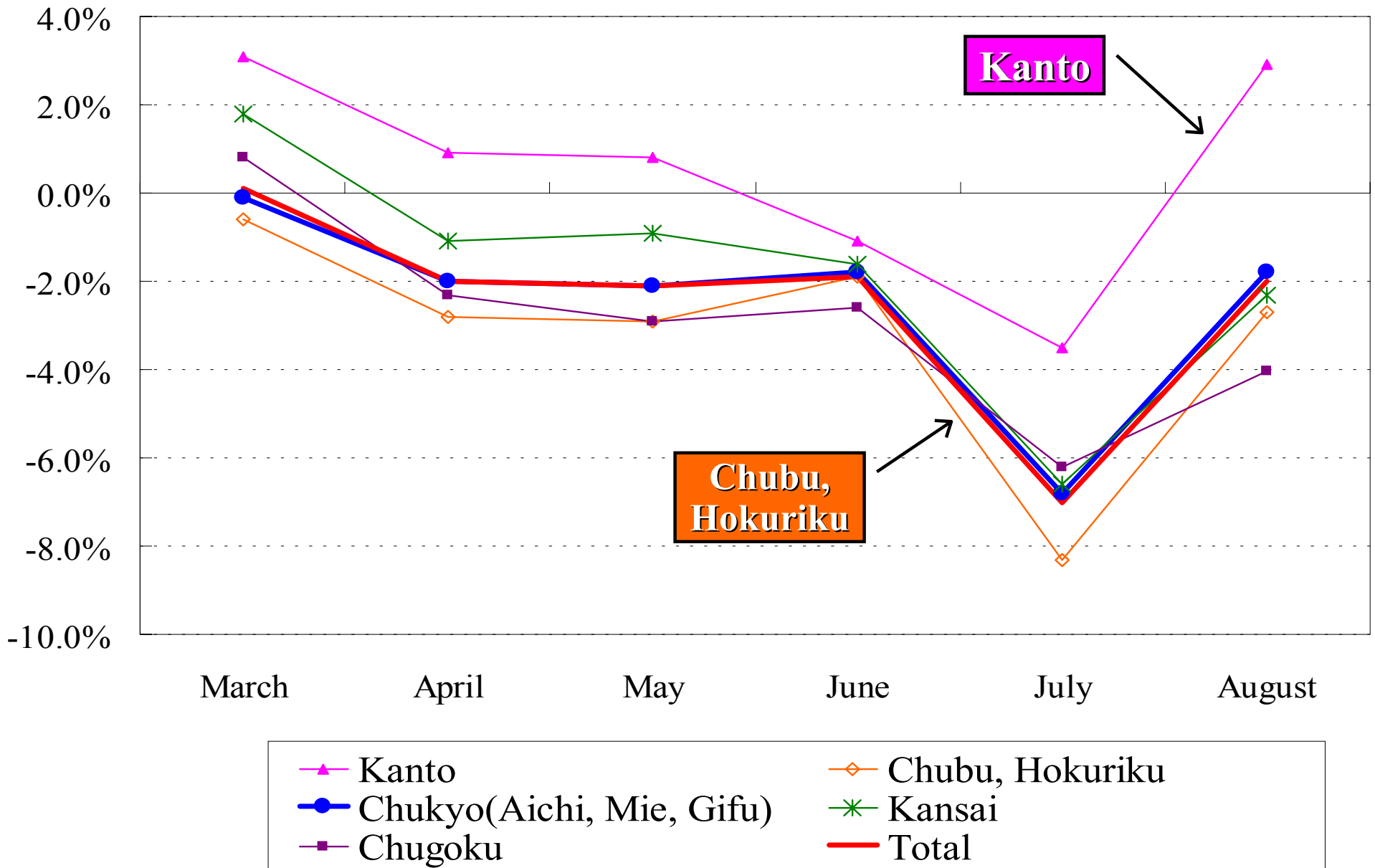
Average daily sales per store for the interim period

¥524,000

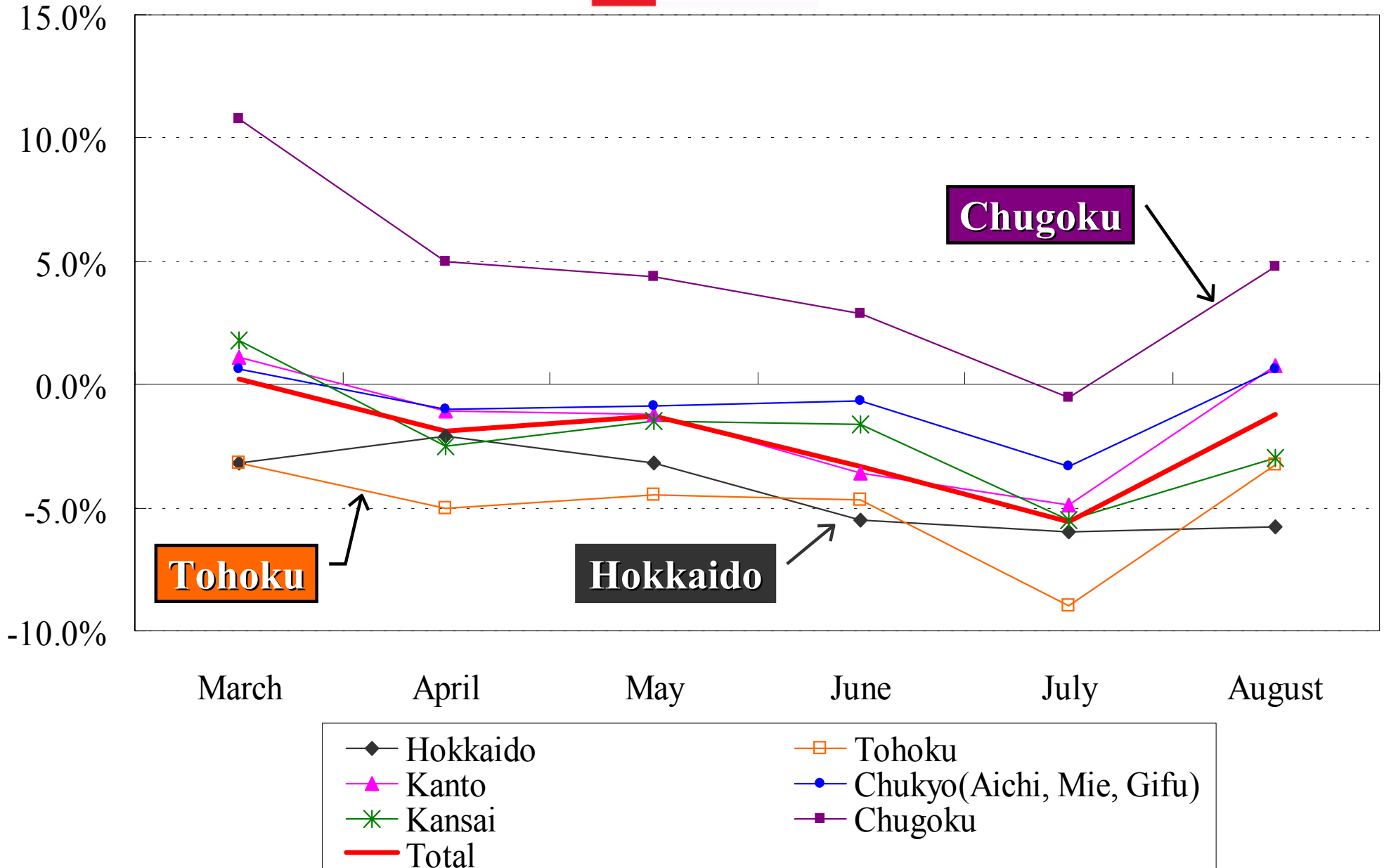
Change on the same period last year

¥-8,000

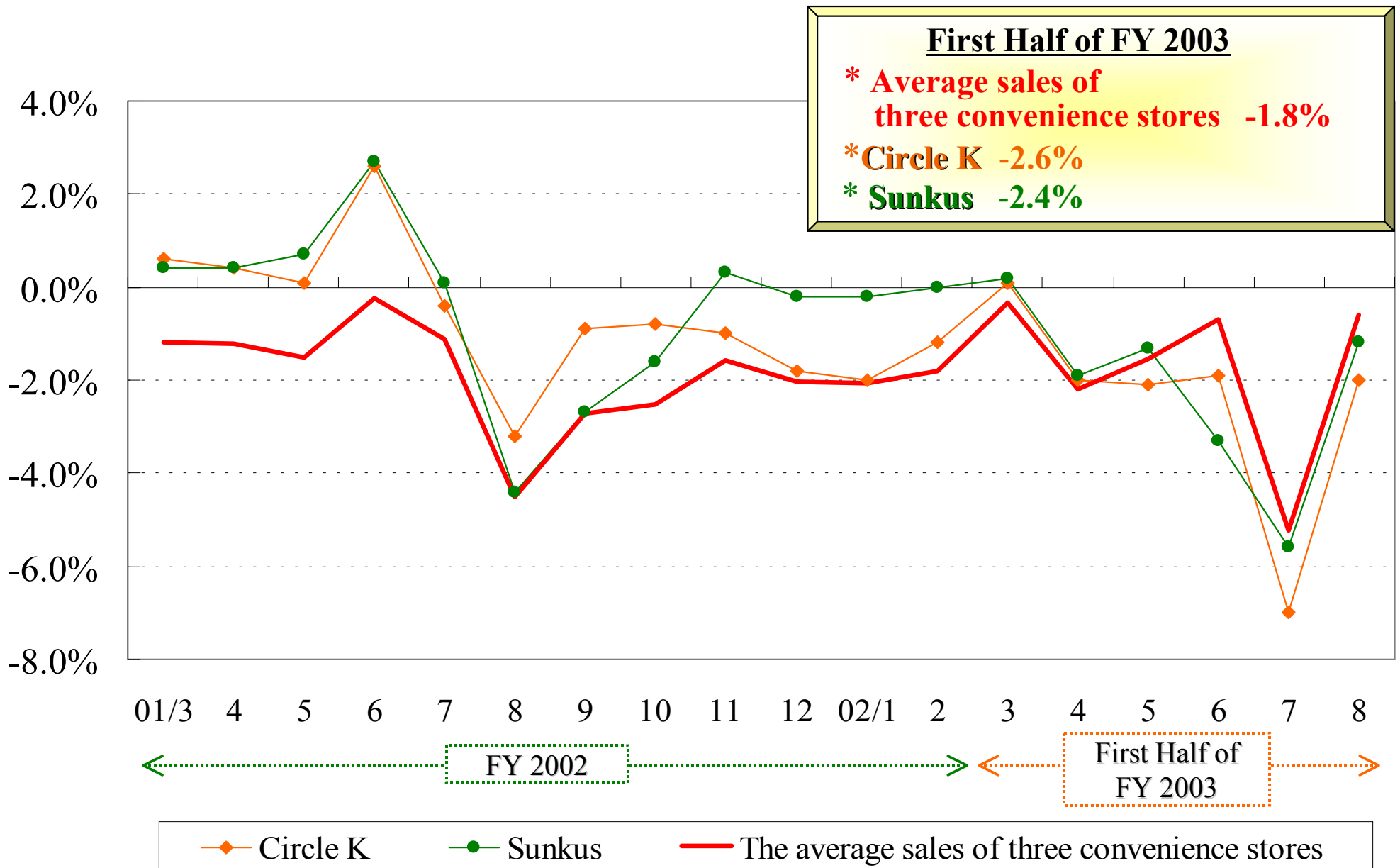
8 Year-On-Year Change in Monthly Sales at Existing Stores by Geographic Region



9 Year-On-Year Change in Monthly Sales at Existing Stores by Geographic Region

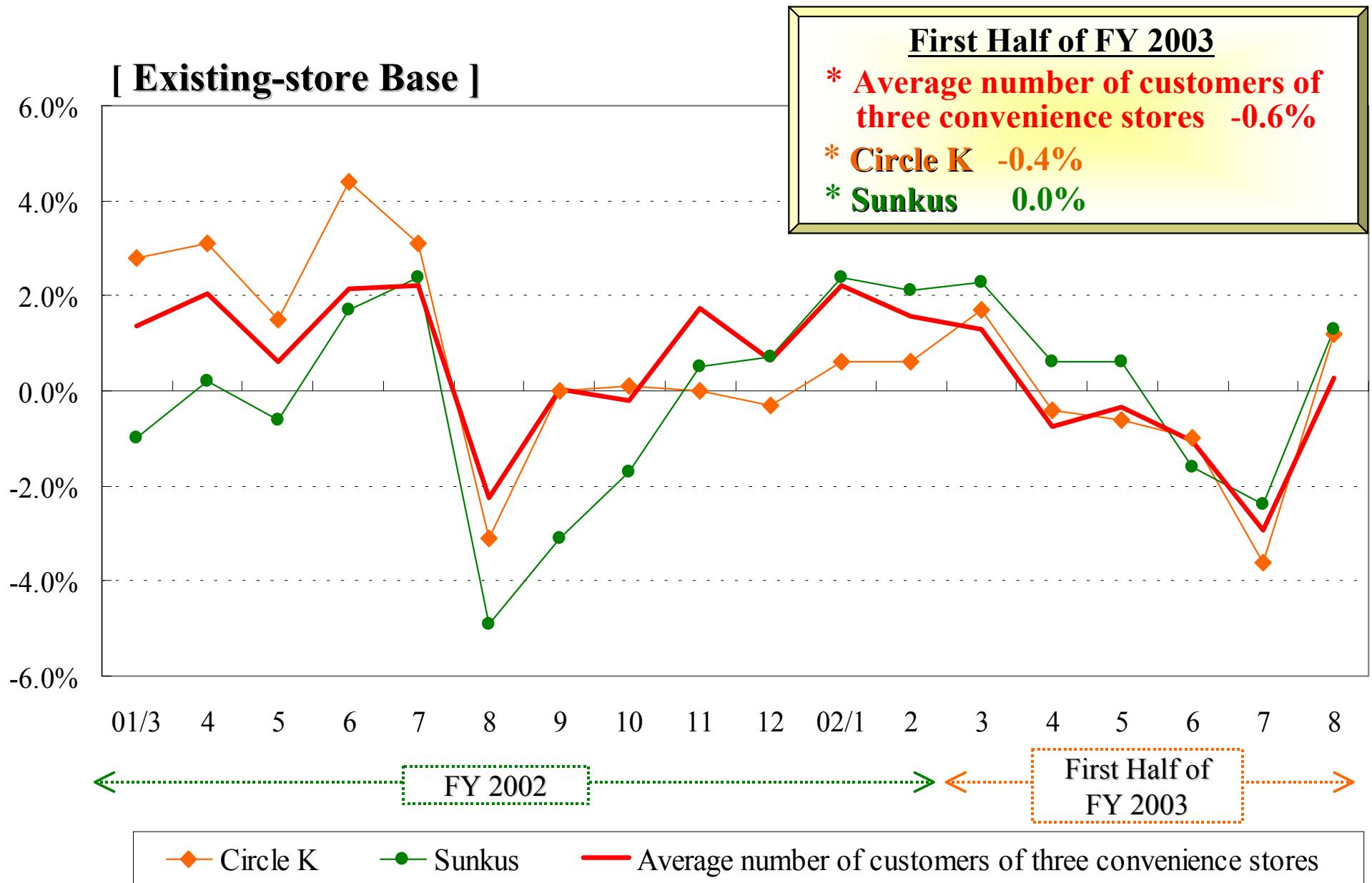


10 Comparison of Year-On-Year Change in Monthly Sales at Existing Stores



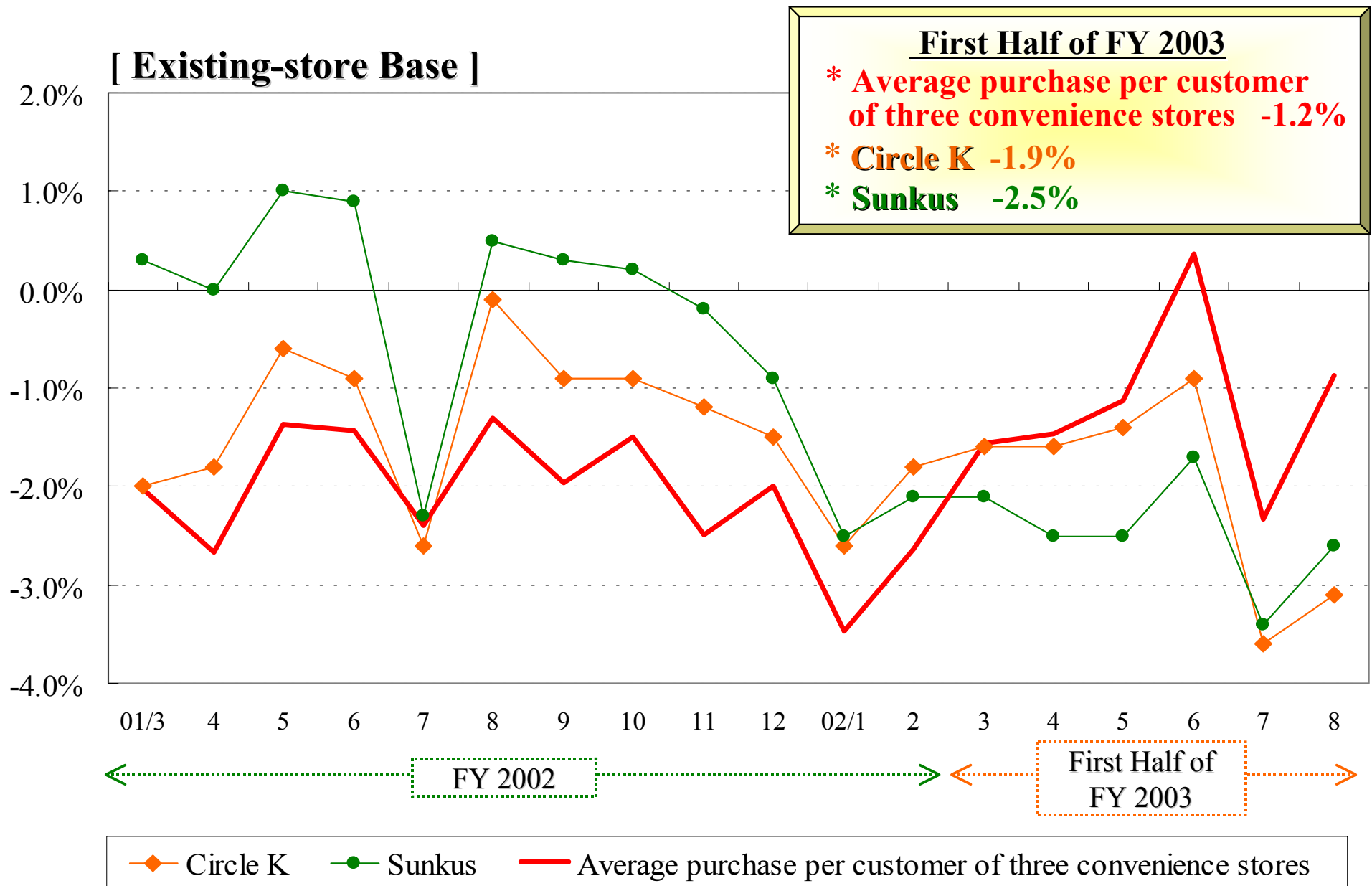
(Note) Average sales of three convenience stores represent a simple average of the sales of Seven-Eleven, Lawson and Family Mart.

11 Comparison of Year-On-Year Change in Number of Customers per Month



(Note) Average number of customers of three convenience stores represent a simple average of the number of customer for Seven-Eleven, Lawson and Family Mart.

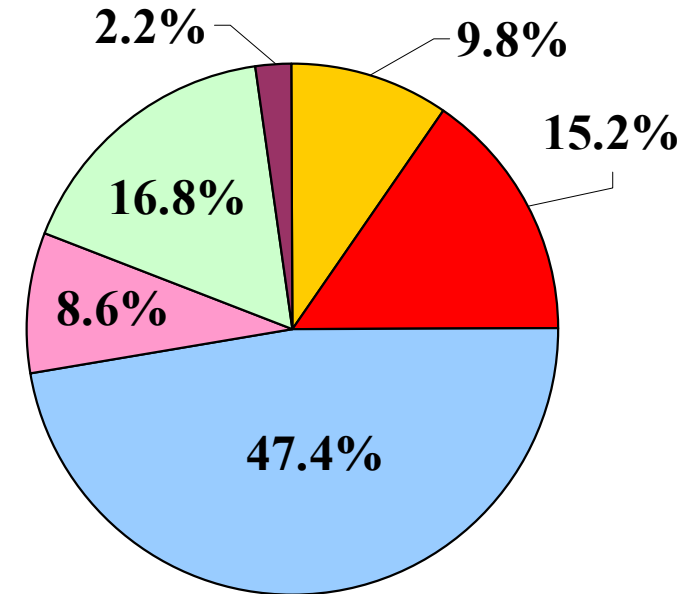
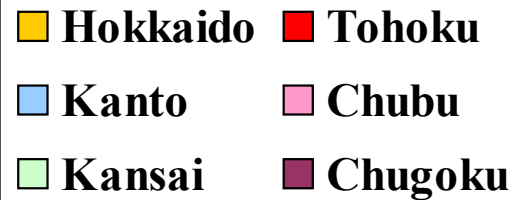
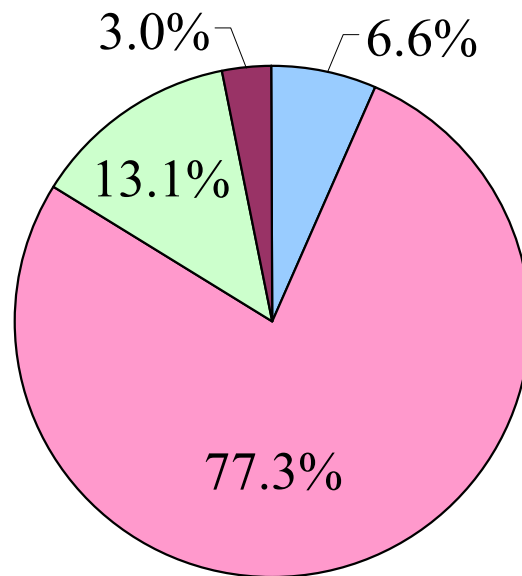
12 Comparison of Year-On-Year Change in Monthly Average purchase per Customers



(Note) Average purchase per customer of three convenience stores represent a simple average of the purchase per customer for Seven-Eleven, Lawson and Family Mart.

13 Sales by Geographic Region

1. Sales Percentage



2. Year-on-year Change in Sales

2002/8	Circle K		Sunkus	
	All stores	Existing stores	All stores	Existing stores
Hokkaido	-	-	-2.1%	-4.4%
Tohoku	-	-	+2.4%	-5.1%
Kanto	+15.6%	+0.3%	+3.0%	-1.6%
Chubu	+1.4%	-2.9%	+11.9%	-0.8%
Kansai	+7.3%	-2.0%	+4.0%	-2.2%
Chugoku	+1.0%	-2.9%	+50.7%	+4.0%
Total	+3.0%	-2.6%	+4.0%	-2.4%

14 Average Daily Sales per Store by Product Category

Product Category	Average daily sales	Circle K	Sunkus	Product Category	Average daily sales	Circle K	Sunkus
Fast food	100 thousand	△	△	Alcoholic beverage	50 thousand	○	×
Rice dishes	-	△	×	Magazine & Newspaper	40 thousand	×	×
Sandwich	-	○	×	Magazines	-	△	△
Cooked noodles, Pasta	-	△	○	Newspaper	-	○	△
Delicatessen snacks	-	○	○	Game soft	-	×	×
Fresh food	70 thousand	○	○	Cosmetics	10 thousand	×	○
Bread	-	△	○	Tabacco	90 thousand	○	○
Milk, Chilled drinks	-	○	○	Service	40 thousand	×	○
Processed food	150 thousand	△	△	Prepaid card	-	×	×
Soft drinks	-	△	△	Highway toll card	-	×	○
Noodles	-	△	×	Tickets	-	○	○
Snacks	-	○	○				

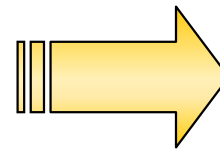
Mark	Change From First-Half of FY 2002	Judgment
○	more than 100%	Same or better than FY 2002
△	96% - 99%	Acceptable
×	less than 95%	Poor

15 Sensitivity Analysis

The projected effects of year-on-year changes in existing-store sales and changes in product markups on royalties of both Circle K and Sunkus :

**Y-o-y change in
existing-store sales**

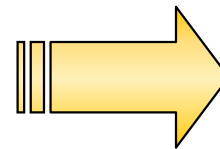
-1%



**approx.
500million Yen**

Product markup


-0.1%



**approx.
170million Yen**


16 Breakdown of Consolidated Business Results - C&S

(Yen in million)

	2001/8	2002/8	Year-on-year change
Gross profit	61,119	63,231	+2,112
Selling, general & administrative expenses	46,162	48,681	+2,519
Store leasing expenses	13,494	15,049	+1,555
Equipment leasing expenses	4,705	5,092	+387
Other	27,963	28,539	+576
Operating income	14,956	14,550	-406
Losses on cancellation of lease contracts	366	645	+279
Recurring profit	14,571	14,227	-344
Loss on disposal of fixed assets	217	350	+133
Other extraordinary losses	684	1,045	+361
Income before taxes	13,738	13,002	-736
Net income	7,734	7,262	-472


17 Breakdown of Business Results - Circle K

(Yen in million)

 Circle K	2001/8	2002/8	Year-on-year change
Gross profit	32,835	33,867	+1,032
Selling, general & administrative expenses	24,404	25,566	+1,162
Store leasing expenses	6,499	7,292	+793
Equipment leasing expenses	1,897	2,263	+366
Other	16,008	16,010	+2
Operating income	8,430	8,300	-130
Losses on cancellation of lease contracts	183	370	+187
Recurring profit	8,417	8,125	-292
Loss on disposal of fixed assets	124	209	+85
Other extraordinary losses	12	284	+272
Income before taxes	8,349	7,684	-665
Net income	4,888	4,419	-469

18 Breakdown of Business Results -Sunkus

(Yen in million)

 Sunkus	2001/8	2002/8	Year-on-year change
Gross profit	28,283	29,364	+1,081
Selling, general & administrative expenses	21,251	22,676	+1,425
Store leasing expenses	6,986	7,729	+743
Equipment leasing expenses	2,807	2,829	+22
Other	11,457	12,117	+660
Operating income	7,032	6,687	-345
Losses on cancellation of lease contracts	182	275	+93
Recurring profit	6,925	6,510	-415
Loss on disposal of fixed assets	94	141	+47
Other extraordinary losses	670	722	+52
Income before taxes	6,160	5,763	-397
Net income	3,522	3,204	-318

19 Cash Flows

(Yen in million)

	2002/2	2002/8	2003/2 (Est.)
Net income	11,304	7,262	12,300
Depreciation	10,573	4,896	10,269
Circle K	7,257	3,634	7,384
Sunkus	4,046	1,642	3,628
Adjustments for Inter-group transactions	-730	-380	-743
Amortization of consolidation account adjustment	748	374	748
Other	6,300	7,463	6,000
Cash flows from operating activities	28,925	19,995	29,317
Outflows for investments	-24,476	-14,082	-22,000
Inflows from investments	4,795	3,742	2,000
Cash flows from investing activities	19,683	10,342	20,000
Dividends paid	-2,190	-1,206	-2,586
Free cash flows	7,052	8,447	6,731

20 Projection for Store Openings and Closures for Fiscal 2003

(Store)

		2002/8			2003/2 (Est.)		
		Circle K	Sunkus	C&S	Circle K	Sunkus	C&S
	Stores opened	121	85	206	230	200	430
	Stores closed	47	30	77	103	60	163
Franchised and Company-owned stores		2,657	2,193	4,850	2,710	2,278	4,988
	Stores opened	19	63	82	33	135	168
	Stores closed	9	20	29	10	35	45
Area franchised stores		255	971	1,226	268	1,028	1,296
	Stores opened	140	148	288	263	335	598
	Stores closed	56	50	106	113	95	208
Group total		2,912	3,164	6,076	2,978	3,306	6,284

21 Projection for Business Results for Fiscal 2003

(Yen in million)

	2002/8			2003/2 (Est.)		
	Circle K	Sunkus	C&S	Circle K	Sunkus	C&S
Sales of franchised and Company-owned stores	246,837	207,691	454,528	485,000	410,500	895,500
Sales of area franchised stores	18,500	83,842	102,343	36,900	166,800	203,700
Sales of Group	265,337	291,533	556,871	521,900	577,300	1,099,200
Y-o-y change in existing-store sales	-2.6%	-2.4%	-2.5%	-1.8%	-1.7%	-1.8%
Average product markup	+0.1%	0.0%	-	+0.1%	0.0%	-
Total operating revenues	47,689	33,266	80,956	92,400	65,100	157,500
Gross profit	33,867	29,364	63,231	66,300	57,600	123,900
Operating income	8,300	6,687	14,550	14,600	11,500	25,200
Recurring profit	8,125	6,510	14,227	14,000	11,200	24,300
Net income	4,419	3,204	7,262	7,650	5,590	12,300

(Note) Change in average product markups for the six-month period ended August 31, 2002 represents change on the same period last year, while the corresponding forecast for the full fiscal year represents year-on-year change.