

## CONSOLIDATED BALANCE SHEETS

Circle K Sunkus Co., Ltd. and its subsidiaries  
February 29, 2008 and February 28, 2007

ASSETS	Millions of Yen		Thousands of U.S. Dollars
	2008	2007	2008
<b>Current assets:</b>			
Cash and cash equivalents	¥ 66,763	¥ 64,957	\$ 641,952
Short-term investments (Note 4)	3,000	-	28,846
Accounts receivable:			
Due from franchised stores (Note 5)	3,208	3,404	30,846
Other	9,697	9,300	93,240
	<b>12,905</b>	12,704	<b>124,086</b>
Inventories	2,542	2,490	24,442
Deferred tax assets (Note 16)	1,051	867	10,106
Prepaid expenses and other current assets	8,331	7,889	80,106
Allowance for doubtful accounts	(348)	(396)	(3,346)
Total current assets	<b>94,244</b>	88,511	<b>906,192</b>
<b>Property and equipment (Notes 6 and 7):</b>			
Property and equipment, at cost	83,125	81,118	799,279
Less, accumulated depreciation	(35,770)	(34,798)	(343,942)
Net property and equipment	<b>47,355</b>	46,320	<b>455,337</b>
<b>Investments and other assets:</b>			
Investment securities (Note 4)	4,033	4,554	38,779
Investments in and long-term loans to unconsolidated subsidiaries and affiliates (Note 8)	801	1,328	7,702
Long-term leasehold deposits	54,185	55,781	521,010
Software	3,844	3,047	36,962
Goodwill	58	144	557
Deferred tax assets (Note 16)	4,160	3,645	40,000
Other (Notes 7 and 11)	11,629	10,501	111,817
Allowance for doubtful accounts	(1,488)	(1,454)	(14,308)
Total investments and other assets	<b>77,222</b>	77,546	<b>742,519</b>
Total assets	<b>¥218,821</b>	¥212,377	<b>\$2,104,048</b>

See accompanying Notes to Consolidated Financial Statements.



<b>LIABILITIES AND EQUITY</b>	Millions of Yen		Thousands of U.S. Dollars
	2008	2007	2008
<b>Current liabilities:</b>			
Accounts payable:			
Trade	¥ 36,089	¥ 36,470	\$ 347,010
Due to franchised stores (Note 9)	2,496	2,672	24,000
Other	5,863	5,739	56,375
	44,448	44,881	427,385
Income taxes payable	3,304	3,618	31,769
Money held as agent	26,631	23,641	256,067
Other current liabilities	4,068	3,946	39,115
Total current liabilities	78,451	76,086	754,336
<b>Long-term liabilities:</b>			
Guarantee deposits received	11,096	11,753	106,692
Employee retirement benefit liability (Note 11)	709	2,380	6,817
Other long-term liabilities	3,933	2,275	37,818
Total long-term liabilities	15,738	16,408	151,327
<b>Commitments and Contingent liabilities</b> (Notes 13, 14 and 15):			
<b>Equity</b> (Note 12):			
Common stock:			
Authorized: 180,000,000 shares in 2008 and 2007			
Issued: 86,183,226 shares in 2008 and 2007	8,380	8,380	80,577
Capital surplus	36,094	36,094	347,058
Retained earnings	84,636	79,617	813,808
Less, treasury stock, at cost:			
2,425,708 shares in 2008 and 2,423,589 shares in 2007	(5,026)	(5,021)	(48,327)
Total shareholders' equity	124,084	119,070	1,193,116
Other components of equity	524	813	5,038
Minority interests	24	0	231
Total equity	124,632	119,883	1,198,385
Total liabilities and equity	¥218,821	¥212,377	\$2,104,048