

Corporate Profile

As of 29 February 2008

Name:

MINISTOP CO., LTD.

Scope of business

Convenience store operations promoted by franchises of Ministop "combo" stores, which offer convenience store products and services as well as fast food prepared in-store.

Representative:

Nobuyuki Abe, President and Representative Director

Date established:

May 21, 1980

Capital:

¥7,491,533,000

Stock Exchange Listing

Tokyo Stock Exchange, First Section
(listed August 1, 1996)

Company headquarters

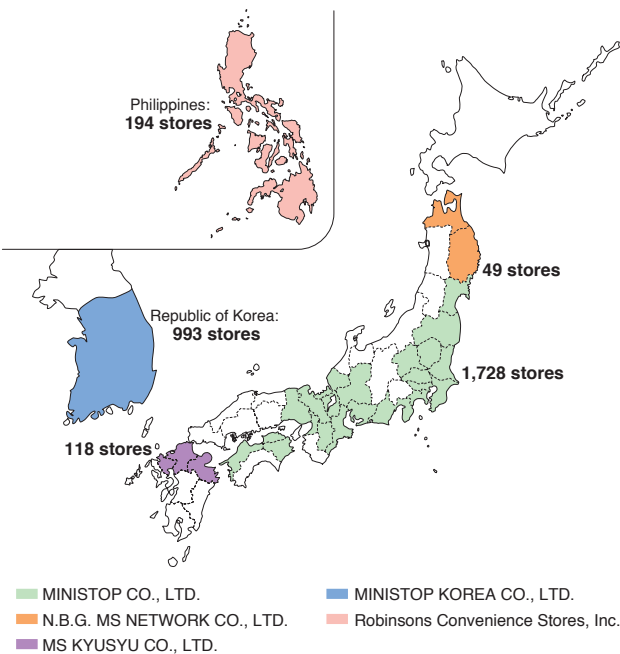
1-1 Kanda-Nishikicho, Chiyoda-ku, Tokyo, 101-0054

Main business office

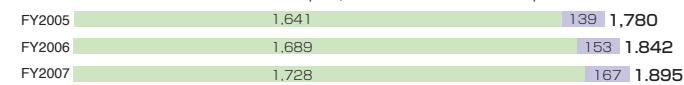
1-5-1 Nakase, Mihama-ku, Chiba City, Chiba 261-8540

Offices

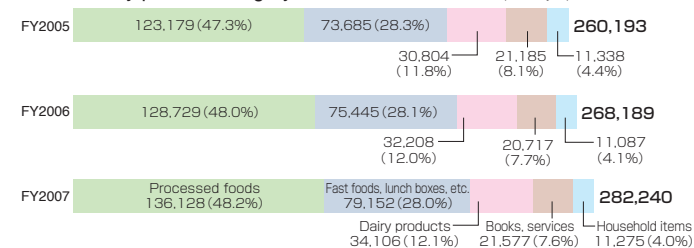
Main business office (Mihama-ku, Chiba City, Chiba)
Tokyo District Office (Chiyoda-ku, Tokyo)
Tohoku District Office (Miyagino-ku, Sendai City, Miyagi)
Tokai District Office (Nakamura-ku, Nagoya City, Aichi)
Kinki District Office (Chuo-ku, Osaka City, Osaka)



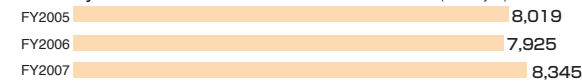
Number of Stores



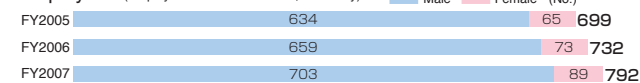
Revenues by product category (including franchise stores)



Ordinary Income



Employees (Employees of MINISTOP CO., LTD. only)



* Revenues and income from operations are figures for Ministop Co., Ltd.

Editorial Policy

Policy

1. Written for the customer
We consider anyone who has any dealings with Ministop to be a "customer" (see page 13).
2. Readability
Besides writing in an easy-to-read style, we kept the word count down so that a reader could grasp all the essential facts in one reading.
3. Website links
We prepared this report with a focus on only a selection of all Ministop activities in fiscal 2007. Please visit our website for more detailed information.
http://www.ministop.co.jp/eco_social/index.html
4. Prepared with reference to GRI Guidelines 2006, and Environmental Reporting Guidelines 2007
We included everything in the report that we felt was important from Ministop's perspective.

Period covered

Fiscal 2007 for Ministop Co., Ltd. (March 1, 2007 through February 29, 2008)

Report coverage

MINISTOP CO., LTD. and stores under a valid franchise agreement
※ Some data covers stores that have an area franchise contract with Ministop Co., Ltd.
※ Overseas stores not covered.

Postscript

We regret that there was no space to cover much other than store-related activities, because of space limitations due to the decision to make this year's report highly readable, by reducing the number of pages (Japanese version), printing with larger fonts, and just describing the overall picture. More information is available on our website, however, so we hope that interested readers will visit us there. Let's all work together for a sustainable future. The "C" in CSR can mean both Citizen and Corporate.



Editorial team: Moride, Okamura, Nakai, and Noguchi (left to right)

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This report can be viewed at the website indicated above.
It can also be downloaded in PDF format.

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- Reviewed by Cre-en Inc. © Design by Artemis Inc.



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For more details, please visit the Forest Stewardship Council (www.fsc.org), or Forest Stewardship Alliance (www.forsta.or.jp, Japanese only).



This report was printed using the computer to plate (CTP) method, eliminating the use of polyethylene acetate film, which also eliminates the need for alkaline developing solution to develop the film. We use vegetable-based inks to reduce the release of air-polluting volatile organic compounds (VOCs). The "Waterless Printing" technology is a water-based developing method that releases no hazardous liquids. After the developing process, the effluent is harmless enough to be released into the municipal sewerage system. In contrast, the conventional "pre-sensitized plate" printing method requires the recovery and proper disposal of the leftover and highly alkaline developing solution (pH12 or higher) as regulated industrial liquid waste.



木を植えています
私たちはイオンです

2008 MINISTOP CSR Report

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Ministop's Key Initiatives

Cover Message

Ministop's puts a lot of thought into its efforts to protect the environment. As one small example, we sell handcrafted chopsticks made from the Japanese cypress forests of Nara Prefecture. With these reusable chopsticks we are supporting local forestry, helping to improve the health of forests, taking a small step to fight global warming, and helping to make people think about the environment.

(Photo location: Yoshino, Nara Prefecture)

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about the Ministop Environmental & Social Report 2007

2008 Reader Survey



Reportage Series

Fair trade:¹ Connecting People to People

Report of actions taken based on input received



Yuka Iwatsuki
Director, ACE

We are a Japanese NGO dealing with the issue of child labor, which affects 218 million children worldwide. Our goal is a society in which children can be happy. Besides working within Japan to inform corporations and governments about the problem of child labor, we also act as an international NGO to provide support for children in India.

Action against Child Exploitation (ACE)
(<http://acejapan.org/>) (Japanese only)

Hiroshi Yokoo
President and Representative Director, Ministop
(As of February 2008)

Being able to know the producer not only gives people confidence in a product's wholesomeness and quality, but also peace of mind. Fair trade products provide another method to provide those new values demanded by consumers. I believe that it's important to deal seriously with the various issues related to food, and also to broaden our forward-looking efforts—not simply by spreading information, but also through two-way communications with the customers.

Tomoko Hoshino
Founder/Representative, Team Choco Revo

Team Choco Revo is a non-profit organization for people who love chocolate. Our slogan is "Choose your chocolate, change the world." Through our website and events, we are a source of information about fair trade chocolate—chocolate that is good for people and good for the Earth—and we also conduct marketing and promotions.

Team Choco Revo
(<http://www.choco-revo.net/>) (Japanese only)

Photo: On location at the Ministop Nakano Kitaguchi Store (Tokyo), February 4, 2008. (Titles and positions are valid at the time of photograph.)

By selling our Ministop original brand Fair Trade Can Coffee

Black since 2006, we have communicated to customers about our social responsibility initiatives with the ingredients used in our products. Taking input from last year's "Chat with the President," Ministop launched sales of Belgian Premium Soft Ice Cream, made with fair trade cacao, in select stores for a limited period in February 2008.

Here Ministop welcomes Ms. Yuka Iwatsuki of ACE and Ms. Tomoko Hoshino of Team Choco Revo—two organizations that cooperated in this project—and ask them for their comments.

For more scenes from this discussion, please visit our website.
http://www.ministop.co.jp/eco_social/msg_2007.html (Japanese only)

Follow-up to the "Chat with the President"

At the 2007 "Chat with the President," under the topic of "Some concerns about chocolate," participants heard from the president of Puratos Japan (a chocolate supplier) about safety efforts in the chocolate production process, followed by a detailed explanation of the Ministop hygiene management system. One topic for discussion

was the social dimension of cacao, an ingredient for making chocolate.

Cacao production often becomes entangled with the problem of child labor, so it was agreed that Ministop would make further efforts to consider this problem and then take concrete action.



Belgian Premium Chocolate Soft Ice Cream and Fair trade Cacao

A project begins

After the 2007 "Chat with the President," Ministop launched a project to deal with child labor in producer countries and considered various possible actions. Many comments were received. For example: "A donation box in the store is easy to understand, but should we stop there?" "Can we procure our ingredients through fair trade?" "What are the certification criteria of Fair-trade Labeling Organizations International?"² "What can we do with product development?" "What about other products besides soft ice cream?" In the end, Ministop decided to procure fair trade cacao, and use it in our chocolate-flavored soft ice cream.

By selling fair trade products, we can create opportunities to educate customers about the issue of child labor. We also believe that by buying from us, customers can contribute in a little way to solve the problem of child labor.

Collaboration with ACE and Team Choco Revo

Ms. Iwatsuki and Ms. Hoshino had offered comments during the "Chat with the President," and when we let them know later about the progress of our discussions, it was decided that they too would participate in our project. From them we received further input on how to communicate about fair trade to customers.

Based on the input from Ms. Hoshino, we created a leaflet and other materials for in-store distribution, and worked to develop a product timed for Valentine's Day, the most popular day of the year in Japan for chocolate.



Japan's First Fair Trade Chocolate Ice Cream



Donation box for efforts to deal with child labor



Meeting of the "Res Choco" Project team

1. Fair trade: The concept of trade that connects consumers that desire safe and high-quality products, with producers that seek to produce products while earning stable livelihoods. This approach results in fair pay, making it possible for producers to produce high-quality products with environmentally-friendly methods, and facilitates continuous, stable trade.
2. Fairtrade Labeling Organizations International (FLO): A "fair trade" certification body working globally, with members in 17 countries.
3. Res Choco: Short for "Responsible Chocolate."

In-Store discussion on the outcomes

Yokoo : This ice cream is wonderful. You can really tell that there's only one type of cacao used, not the typical blend. It's very smooth!

Hoshino : Yes, that's right. It's very smooth and has a nice luster too. And it's not too sweet.

Yokoo : We were aiming for a chocolate ice cream for adult tastes, with a touch of bitter chocolate flavor. But we only use one type of cacao, from the Dominican Republic, and the taste can change every year or depending on that year's cacao crop.

Hoshino : Perhaps it's like wine, always interesting to discover the features of this year's crop.

Yokoo : We have already received feedback from customers and are conducting separate promotions in 12 stores. I think we'll get a good response.

Hoshino : On the promotions side, I was able to help with the design of some of the in-store displays. At Team Choco Revo, we have received many inquiries through our website regarding this initiative at Ministop.

Iwatsuki : We are very happy that customers are becoming concerned about the issue of child labor. As a part of our "One More Love" fundraising campaign to tackle the child labor in West Africa, we were able to place donation boxes in 12 Ministop stores starting on February 9.

Yokoo : Success will depend on how we can communicate the idea of fair trade, isn't it? I suppose the first thing is to attract people with a gentle message and delicious taste.

Iwatsuki : Yes, that's right. A convenience store may not be the place for serious messages, but we can still let people know about the issues and what individuals can do.

Hoshino : This is the Valentine's Day season, so now is a perfect time to let people know this kind of message. We would be happy if this effort somehow helps the self-sufficiency of cacao producers.

Yokoo : I would like to see if we can create opportunities for producers to let us know more about the producer region.



Point-of-purchase display created with input from Team Choco Revo

Chat with the President

Creating a Dynamic, Enjoyable Workplace

"The key to increasing customer satisfaction is to create the environment for franchise stores and Store Advisors to have dynamic and enjoyable workplaces.¹ So let's review the business operations of the entire company from the perspective of the workplace."

This appeal marked the inception of service improvements at Ministop. One year later, we had an exchange of views about activities and their results, as well as future issues and prospects, with the employees who played leading roles in the reforms.

This discussion was held on March 14, 2008. Please visit the website for more details. http://www.ministop.co.jp/eco_social/msg.html (Japanese only)
1. Store Advisors (SAs) are Ministop employees who develop programs and measures to enhance store operations for the greater satisfaction of both customers and franchise store owners, and by so doing, to increase company revenues.

Business Process Transformation Team: Background and status

Abe : Ours is a business based on franchise stores, and it is our Store Advisors who support them. Franchise stores will not grow dramatically without changes in the Store Advisors' work standards and ways of functioning. To date, we have tried a number of improvements, but based on frank input from the frontlines, we still recognize the need for reforms in order to change the Store Advisor activities while also responding to changes in society.

Yokoo : There are limits to what can be accomplished simply by depending on the top-down management approach. By using a cross-function and cross-department approach to address the issues that staff are actually dealing with, we've seen the awareness of staff members begin to change. I sense that our first steps are already showing results.

Kuwasako : There are two things worth noting about the Business Process Transformation Team. First, we have created a forum where all employees can participate and state their opinions. Second, we announce the decisions made and the processes used to make them, and we share information with all employees. I hope we are conveying a message that Ministop is a place where anyone can create change if they have the desire.

Abe : Employee awareness is also rising. We had 11 study group meetings in the first half of the 2007 fiscal year, and 20 in the second half. Over 60 proposals that arose from those meetings have already been implemented. We looked at the periods of time required to deal with each issue, and then decided on short-, medium-, and long-term themes.

Yokoo : Yes, the use of video conferencing and the form of meetings are concrete examples of changes made for the short-term themes. By introducing new meeting styles, even if the Store Advisors from each region don't meet physically in one location, they can still obtain the necessary information directly from each other.

Achievements, future challenges on two themes: "Women" and "days off"

Kuwasako : At this point, we have focused on 20 core themes among the many responses we received from employee surveys. To address one of

these, the Women's Work Style Study Group was launched in September and it soon became a forum for active discussion.

Onodera : The idea behind this study group was "Let's create a good work environment for women." A study revealed that female employees were concerned about how they could work after marrying and having children, and men were concerned about increases in the number of female employees, but I think that a key point for the future will be how to create an environment where both sides can accept a diversity of work styles for women.

Abe : At Ministop today, only about 80 of 800 employees, and only 11 of 240 Store Advisors are female.

Onodera : It is certainly important to increase the number of female employees, but it is also important to create an environment that allows childcare leave, and to raise employee awareness to make it easier for people to use these systems. Some male employees don't even know about the childcare leave system. It's also important for male employees to understand and cooperate, so I would also like to see more men participating in this study group.

Abe : Female employment numbers have been increasing since last year, so I believe that things will be quite different a few years from now. By then, if they can see positive examples of senior female employees in this company, the women will feel more assured that they have future potential in their work here.

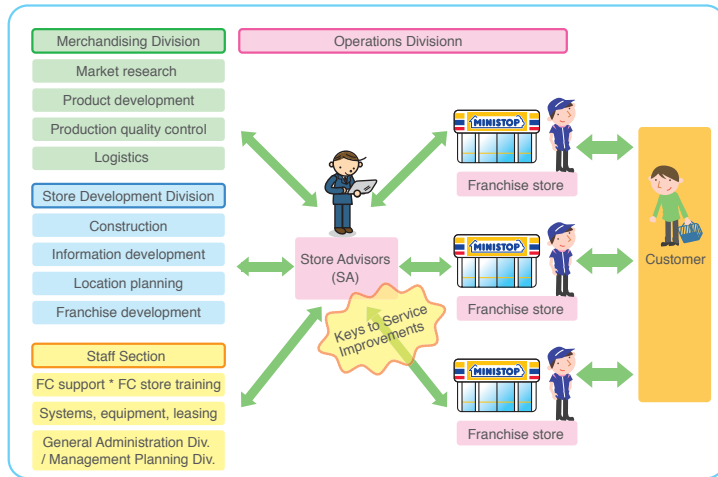
Onodera : Yes, that's right. In terms of medium- and long-term topics, we need to make an effort to find cases in which, even after having children and getting married, women are working as Store Advisors and in positions where women are not currently working.

Yokoo : Women have much diversity in their ways of living, so it is necessary to be able to respond to that diversity. We need to create a place where women can realize their full potential at work.

Abe : Another area where we are addressing the theme of employee work styles is in the study group called "Let's Have More Holidays and Reduce Overtime."



Study group in session Business Process Transformation (BPT) meeting (any employee can attend)



"Business Process Transformation" means operational reforms for the entire company



Hiroshi Yokoo (As of May 1, 2008, at the time of writing.)
President and Representative Director, Ministop Co., Ltd.

The Business Process Transformation Team is the first step toward improving the workplace environment, with employees themselves thinking things out and making proposals. The company needs to provide backup support for the commitment of Store Advisors to tackle the various issues that they've been dealing with until now in serving the franchise stores.



Nobuyuki Abe (As of May 1, 2008, at the time of writing.)
Director of FC Support Div., Managing Director

Store Advisors themselves must rise to a new level if Ministop is to raise the value of franchise stores. I believe that if Store Advisors improve, we will create better relations with franchise stores, and that will ultimately lead to higher customer satisfaction.

Kuwasako : Convenience means being open for business 24 hours a day, 365 days a year. The concepts of days off work and overtime work gets a bit muddled in this context. But if we combine work hours more tightly, employee would find that they have better lifestyles, and could recharge themselves in order to be more effective when they're back at work. To look into these ideas further we started a study group called "Let's create a day when we all go home at the same time." The "No overtime" slogan really means what it says—not working overtime. Right now, we are testing this at the corporate headquarters and Tokyo office, and we plan to introduce this system one day a week at all offices starting the first week of April.

(Note: Starting April 3rd, it was decided to make Thursday every week the day that all office employees leave work on time.)

Yokoo : Contrary to what one might expect, much of our work is done alone. So one key issue for the future is to share our skills so that we can work more efficiently and effectively. One idea might be to create a backup system for Store Advisors, with a call center that can take inquiries on holidays and at night.

An aim of service improvement: higher motivation in the store

Abe : Work itself is a means for people to live their lives, so one of the missions of this company should be to create the conditions by which people can say "I was able to enjoy my life because I worked at Ministop."

Onodera : I think it would be good if Ministop could be a company where people can feel a sense of personal achievement, where they can feel motivated and enjoy their work, and where both men and women feel they are challenging themselves.

STAKEHOLDER MEETING



Shunji Kuwasako,
Manager, Business Process Transformation Team, FC Support Div.

The key thing about service improvement is to see how far we can go to create a situation that makes it easy for employees to offer their views, and then to take that information, summarize it, circulate it, and share it. This is not something that just should be worked on by a certain group of people in the organization, but by having everyone in the company involved.



Harumi Onodera
Dessert & Beverage Development Manager,
Dessert & Beverage Merchandising Dept., Merchandising Div.
(Subleader of Women's Work Style Study Group)

In a company with the majority of employees being male, there is a tendency to see limits on the positions and time periods in which female employees' talents can be put to use. I believe that a workplace that is good for women will also be a good workplace for men. By increasing the number of women working here, based on a healthy balance of power, I believe that the result will be a good atmosphere of mutual understanding.



Summary of Discussion

- Expand the activities of Business Process Transformation Team to cover management reforms of the entire company
- Identify short-, medium-, and long-term issues, and create the motivation to address them.
- Promote mutual understanding between male and female employees.



A Word from the President

Our Goal: Customer Confidence

Environmental policies: Balance with the big picture

In 2007, the issue of climate change started to enter the public consciousness in a big way in Japan and to be reflected in the responses of society as a whole. In order to ensure that these efforts are not just a passing fad, in the context of climate change, as a retailer we too at Ministop must think about the global environment, and create a store environment that facilitates the ongoing efforts of individual consumers in their daily lives.

The purpose of environmental action is to have the global environment continue in a healthy state, but I get the impression that human actions are actually destroying the balance in the environment. For example, there has been a shift of agriculture away from food production to agrofuels for the purpose of reducing carbon dioxide emissions, which has changed the world's grain supply, and now there is also a new problem with the clearing of forests for this purpose.

Furthermore, economic problems in the United States triggered events that are affecting the prices of oil and grains worldwide, and we are seeing the balance that once existed at the international economic level is being disrupted.

If the balance in the environment and economy is disrupted, it may become more difficult to procure raw materials and resources like food, grains, energy, and so on. Thus, more than ever it is important to think about measures to effectively use resources.

Ministop is doing its part to eliminate waste in various ways, such as through using energy efficiency to fight global warming, and food product recycling to use resources efficiently. At Ministop we have committed ourselves to identify and work out measures to fight global warming, to establish numerical targets, and to take action.

Ministop's Approach to Fight Global Warming

- | | |
|--|--|
| 1. Reduce in-store electricity consumption | Biggest impacts on CO ₂ emissions reduction |
| 2. Reduce the use of fuel for delivery vehicles | |
| 3. Reduce the use of plastic bags at the sales counter | High public concern |
| 4. Promote food recycling | |
| 5. Carry environmentally-friendly products | |
| 6. Reduce the use of fuel for company vehicles | Employee awareness |
| 7. Reduce the use of electricity at corporate headquarters | |

As one example of our efforts to fight global warming, the introduction of videoconferencing (see page 3) produces multiple benefits, including the reduction of travelling time for employees, and the reduction of CO₂ emissions. On the other hand, from the perspective of effective resource use, we are re-using food leftovers as compost and animal feed, and are using pork from pigs raised with this "ecofeed" as an ingredient in minced pork cutlet lunch boxes. This creates a complete cycle (see page 12).



Hiroshi Yokoo

President and Representative Director
MINISTOP CO., LTD.

As of 29 February 2008

横尾 博

We will continue promoting global warming countermeasures and food recycling, with the aim of overall balance.

Further strengthening of systems for food safety and peace of mind

During 2007 many people in Japan became concerned about various problems reported in the media relating to food safety and quality—false place-of-origin labeling, the sale of food past its expiry date, and concerns about food and ingredients imported from China.

Our response was to make our food inspections stricter than ever. We improved our in-store controls, initiated in-house systems like the "Food Safety Hotline" to allow personnel to report concerns anonymously, and strengthened systems at the management level (see page 9).

Giving "peace of mind," at Ministop means that we provide customers all the information we have about food ingredients in order to eliminate doubts or concerns. We have strengthened various systems to that end.

We are also aware of the perspective of "delivering health." We have been receiving very positive feedback for our efforts to consider a balance of food education and nutrition, and for carrying organic food items and fair trade products.

Ministop product lines include fair trade coffee and orange juice. In February we sold fair trade Belgian chocolate soft-serve ice cream in select stores for a limited period of time (see page 1).

In the future we will work to build up sales results and to further promote fair trade products.

Also, we started handling SELF+SERVICE¹ brand products in the Kanto district (Tokyo region), based on the idea that we'd like to deliver convenience, health and peace of mind.

Earning the trust of society

It is important to integrate the CSR perspective into day-to-day operations. At present, Ministop is expanding its Business Process Transformation Team. Its objective is to re-think the business of Ministop as a whole, by improving the work styles of our Store Advisors. First, we are starting with tasks that can be easily realized, and then we plan to gradually ramp up our efforts to improve and reform the entire organization.

I think it is important for the company to create a supportive system that enables employees to think about work-life balance in their own lives, and to create a workplace environment where they can feel motivated.

To connect with local communities, we have been conducting the Circle of Flowers program² continuously for twenty years. For retailers, communication with the local community is extremely important.

Now the AEON Group companies are in the midst of organizational reform under a holding company, and are reviewing and improving their CSR orientation (as of May 2008). As the direction becomes clearer, Ministop will set its course to include key issues, and aims to be a company that earns the strong trust of society.



1. AEON Private brand based on the concept of SELF+SERVICE.

2. Circle of Flowers program: A program that collects donations from customers and receives financial contributions from soft-serve ice cream sales, and by makes a gift of flower plants or tree seedlings to schools that have applied, with the selection being by lottery.

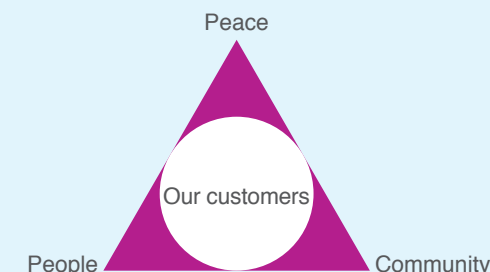
PRESIDENT COMMITMENT

AEON's Basic Principles

The word **AEON** has its origin in a Latin root meaning "eternity."

The starting point of our principles is the customer.

At AEON, our eternal mission as a corporate group is to benefit our customers, and our operations are thus customer-focused to the highest degree.



Peace: AEON is a corporate group whose operations are dedicated to the pursuit of peace through prosperity.

People: AEON is a corporate group that respects human dignity and values personal relationships.

Community: AEON is a corporate group rooted in local community life and dedicated to making a continuing contribution to the community.

The AEON Code of Conduct

1. AEON people are always grateful to the many other individuals who provide support and help, never forgetting to act with humility.
2. AEON people value the trust of others more than anything else, always acting with integrity and sincerity in all situations.
3. AEON people actively seek out ways to exceed customer expectations.
4. AEON people continuously challenge themselves to find new ways to accomplish AEON ideals.
5. AEON people support local community growth, acting as corporate citizens in servicing society.

Management Philosophy of MINISTOP

Mission: Contribute to the health, peace of mind, and convenience of each Ministop customer in everyday life.
Differentiate Ministop from competitors through a strategy of combining convenience and food, and strive for growth and prosperity together with people who value independence.

Vision: The 21st century will be the age of Ministop. The Ministop brand image in Japan and abroad will be the symbol of the highest quality in stores renowned for convenience and delicious food.

Values: · Customer first · Adaption to change · Store performance
· Harmony with the community · Respect for people · Fairness
· Enjoying life and work.

Third Party Opinion

Independent Opinion – Towards a Better Ministop



Aromatherapist
Maki Ohashi

After working as a TV announcer at Fuji Television, Ohashi studied in the U.K., where she became an aromatherapist certified by the International Federation of Aromatherapists (IFA). Since then, she has worked as an aromatherapist in hospitals and also as a writer, translator, television program host, and radio personality.

I enjoyed reading the 2008 Report, and its content has made me look forward to Ministop's future initiatives. In particular, I found the relationship with local communities, the food safety and eco-friendly initiatives, and the efforts to provide a good working environment for women to be impressive. Overall, I identified with Ministop's sincere and pro-active stance.

It is terrific that each area continues to offer a Child Internship Program and "Circle of Flowers program." As a suggestion, how about going even one step further in developing your efforts in local communities, such as producing your own "local production for local consumption" brand, or working with local farmers to launch morning markets? People of all ages come to convenience stores, so it seems like there are possibilities unique to convenience stores.

The experiment of making lunch boxes of minced pork cutlets using the pork from pigs that you feed with "ecofeed" from recycling leftover food products demonstrates a strong commitment to being eco-friendly. Similar to the "rice planting tour," I would love to see you take advantage of this cycle to offer workshops for children and others in the community to visit the pig farm.

I recently had a child, and my life is now focused on child-raising. I firmly believe that it is meaningful for society for women to apply the things they feel and learn from taking care of a home and children into their work. Providing a work environment that utilizes

women's ideas to design schemes will definitely lead to a stronger company. I hope you will continue to do this. I would also like to see more convenience stores near me that are barrier-free and where I can push my stroller, or where I can choose green products from gift catalogs, or where I can buy healthy food and fair trade products.

A store's employees are just as important as a store's products. People are naturally inclined to visit stores where the staff take pride in their work and do their best. In this respect, I think that the soft-serve ice cream meister training system is great. I would also like to see the faces of the people involved in developing and producing the groundbreaking products that show Ministop's sincerity, such as ecofeed pork, fair trade canned coffee and chocolate. How about placing more of a spotlight on the people who approach work with a pure heart and pour their energy into their daily activities with a low-profile, and showing them off in a "cooler" way? All kinds of people visit convenience stores, so doing so would have a significant impact on the public.

The way in which things are communicated to people is also extremely important. I think that there is a lot of room for improvement in this area. The campaign to have people use their own chopsticks is one example of this. This campaign was carried out with the plain message of asking people to conserve natural resources and reexamine the "throwaway" lifestyle. But I think you could have done a better job of expressing the true hope behind the campaign. This might have involved promoting the idea that using your own chopsticks is a luxury, or creating posters for premium Belgian chocolate soft-serve ice cream which use fair trade cacao. Eco-friendly and fair trade initiatives may not seem so remarkable on an individual basis, but you can get people interested with sophisticated designs.

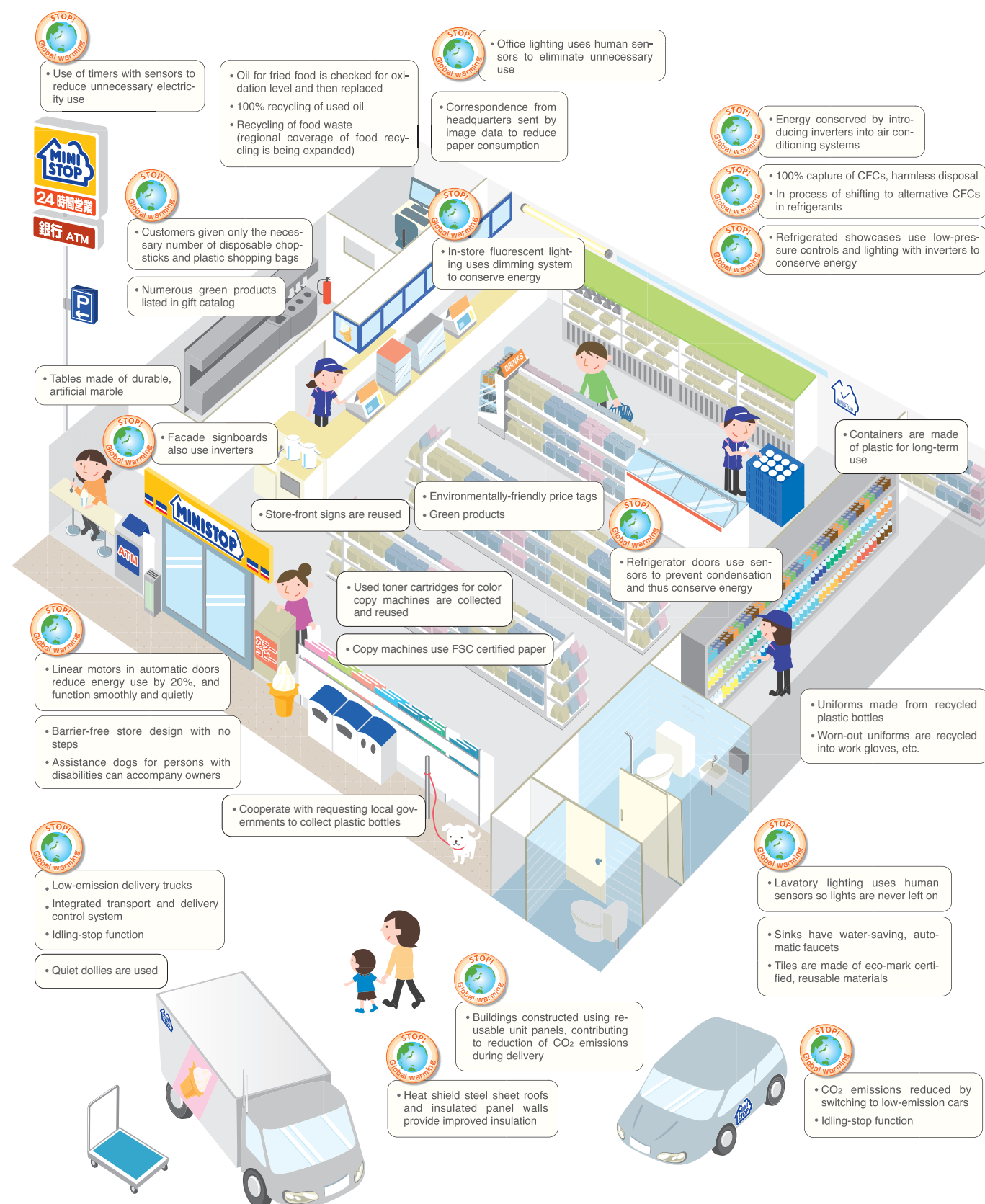
Many people have begun to feel guilty when they buy things that have a large impact on the environment. I am hoping that you will continue to be the kind of convenience store that, rather than simply promoting consumption, helps people to consume in an eco-friendly manner. I would like to be able to feel good about buying products and services that are based on a sense of goodness. I look forward to Ministop's continued unique efforts in this respect.



Ministop Store Eco-Map

At Ministop, we deliver peace of mind, convenience and safety to customers. We also undertake a variety of initiatives to protect the earth's environment. Please visit your local Ministop and check that the following measures are in place.

※The illustration below is based on the most recent equipment and fixtures available for stores. Some Ministop stores may not have all such measures in place.



Details about waste material, distribution and energy can be found on the Company's website. http://www.ministop.co.jp/eco_social/eco_pd.html (Japanese only)

Ministop's Key Initiatives

Ensuring Food Safety

Food safety is an important part of Ministop's corporate social responsibility (CSR)* program. We work with our suppliers to provide safe food as well as information using labels.

Procurement of ingredients

■Routine checks of safety controls at licensed manufacturing facilities both in Japan and overseas, including China

During 2007 there were a number of instances in which the Japanese public's trust in food safety was compromised. Taking food safety as an issue of utmost importance, Ministop employees involved in product development, production control and quality control inspect food ingredients at locations where food is grown and at plants where food is produced, both in Japan and overseas.

At Ministop, in order to provide grilled eel that is easy to buy, safe and delicious, we only use eel that has cleared numerous inspections during a continuous control process that starts with the eel farming and broiling in China, and ends with the secondary processing in Japan.

1. Raising

- During raising
 - Inspection of Ministop-approved feed
 - Inspection of water quality
- Pre-shipment inspection
 - Inspection of designated residual chemicals by CIQ¹
 - Inspection of designated residual chemicals by processing plant

To2.

2. Broiling

- When eel is brought to plant
 - CIQ inspection ●Voluntary inspection
 - After broiling
 - CIQ inspection ●Voluntary inspection
- ※All inspections are inspections of designated residual chemicals

To3.

3. Pre-inspection

- Pre-import inspection
 - A sample of the eel to be exported is shipped to Japan and a Japanese public agency conducts a customs clearance inspection

To4.

4. Import to Japan

- Customs
 - Inspection of designated residual chemicals by the Ministry of Health, Labour and Welfare
 - Inspection of designated residual chemicals by Japanese public agency



Voluntary inspections at the public agency level

Broiling of eel raised in China

Hitoshi Sakuma

Product Development Manager,
Delicatessen Merchandising
Dept., Merchandising Div.

We always try to procure safe, tasty, and high-quality ingredients, regardless of location. We specify the location in which the eels (for broiled eel) are farmed, and employ a system that allows us to trace the eels, from the time they are young to the time they are cooked.

Voluntary inspection includes inspection for six types of microorganisms, inspection for 45 types of antibiotics, pesticide testing, bacterial examinations, food testing, etc.

1. CIQ: The Entry-Exit Inspection and Quarantine Bureau of Republic of China

Expiration date control

■In-store self checks

Because we offer in-store prepared fast foods, it is necessary for each store to keep track of expiration dates for ingredients after packages are opened, as well as the sell-by date for food after it has been prepared. We have established rules for using checklists and control charts to deal with food ingredients, the details of which are discussed below.

- Fast food checklist
Check expiration dates of fast-food ingredients (excluding frozen ingredients)
- Fast food control chart
Ingredients that have passed expiration date are recorded on the fast-food loss control chart and disposed of.
- Fast food sell-by date receipts
Foods that have been defrosted or opened are given expiration dates which are observed.

■Handling of stores that used expired ingredients

In 2007, upon seeing news reports about numerous cases in which expired ingredients had been used in Japan, we conducted a new, detailed inspection of our stores. The inspection revealed that a store in the Kanto region had inadequate expiration date control, and as a result the Franchise Agreement was subsequently terminated. Ministop takes this case very seriously, and is working to prevent a recurrence and to ensure food safety. One initiative has been the establishment of a Food Safety Hotline so that store staff can report any problems or issues that may exist.

Food product labels

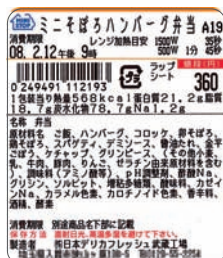
Our food labels include information about food additives, allergens, and other relevant items. In the past, our labels contained both the expiration date and the manufacturing date of a product, but we now include only the expiration date. This has made it easier for customers and staff to identify the expiration date.

Note: Details about food product labels can be found on the Company's website.
http://www.ministop.co.jp/eco_social/social_safecon.html (Japanese only)

Keeping stores clean

We commission third-party sanitation checks and inspections of stores, and work to keep stores clean and improve the level of cleanliness.

- Store sanitation checks (twice a year)
We check whether or not a store's level of sanitation meets voluntary standards.
- Voluntary inspection of soft-serve ice cream machines
We check the safety of ice cream machines by inspecting for bacteria six times per year.



Partnering with Customers to Prevent Global Warming

With the cooperation of customers, Ministop works to prevent global warming through our efforts to reduce use of plastic shopping bags and disposable chopsticks.

Reducing the number of plastic bags used

At Ministop, many customers purchase microwave-heated prepared meals and side dishes, and a lot of customers stop in to shop while they are out doing other errands. This naturally involves the use of plastic shopping bags. We put up posters (see right) that urge customers to use fewer plastic shopping bags and ask our staff to encourage customers to try to conserve as well.

We have also shifted to using thinner plastic shopping bags and bags of the appropriate size.



Poster on automatic door

■A new attempt to reduce plastic shopping bag use

Starting from June 2007, the AEON Tower Store in Chiba city has been testing a new method for using fewer plastic shopping bags. Customers who ask for their items not to be bagged receive a one-yen discount. The effect of this campaign is now being studied.

Also, certain stores have made their own efforts to use fewer plastic shopping bags, such as giving customers eco-bags (durable bags that can be used over and over) for free.

Annual consumption per store

	FY2005	FY2006	FY2007
Plastic shopping bags	231,464	237,215	244,598
Disposable chopsticks	58,171	56,650	55,849

Thoughts on disposable chopsticks

At Ministop, we use chopsticks to communicate the importance of forest resources. In order to reduce the amount of disposable chopsticks that we give customers for free with food purchases, we sell *Go En No Kizukai* (meaning "five yen to care for our trees") chopsticks and portable chopsticks sets, and support the My Chopsticks Club. These activities are part of our overall effort to have more people adopt a lifestyle in which they either use their own reusable chopsticks or at least use chopsticks made from Japanese trees cut for forest management, and try not to use disposable chopsticks (made overseas).

■Go En No Kizukai chopsticks

The *Go En No Kizukai* chopsticks that Ministop has sold since June 2006 are made using wood from the thinning of Yoshino (Nara Prefecture) Japanese cypress tree forests and residual wood after cutting trees for lumber. A portion of the five yen goes towards promoting forest development in the Yoshino region. Using Japanese wood contributes to curbing global warming because it allows forests to grow in a healthy cycle and ultimately absorb more carbon dioxide.



Go En No Kizukai chopsticks

■My Chopsticks Set

At Ministop, we sell personal chopsticks sets called My Chopsticks Set at our stores in order to promote the use of reusable chopsticks. The "My Chopsticks Club" is a network comprised of people who carry their own chopsticks, want to reexamine the throwaway lifestyle and be grateful for the food that they use the chopsticks to eat.



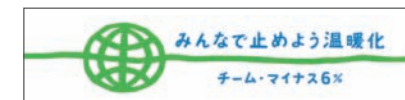
My Chopsticks Set



My Chopsticks Club website
<http://myhashi-club.net> (Japanese only)

Ministop is a member of "Team Minus 6%"

The first commitment period under the Kyoto Protocol began in 2008. Japan has an obligation to reduce its annual greenhouse gas emissions by 6% from 1990 levels during the years 2008 to 2012. To meet this reduction target, in addition to efforts by industry, individuals will need to reexamine their lifestyles and find ways to reduce emissions in their daily lives.



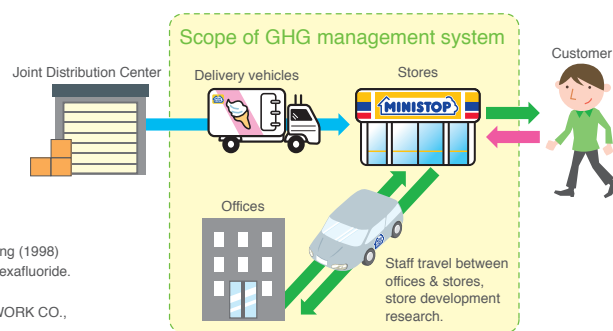


Energy Conservation and Management

Greenhouse gas management

Ministop created its Greenhouse Gas (GHG)¹ Management System based on GHG Guidelines² with the aim of effectively reducing emissions throughout its operations. In 2005, the company implemented the GHG Management System at all levels of its organization and business activities³ covering Joint Distribution Centers, delivery operations, stores, and offices as well as staff travel between offices and stores.

1. Greenhouse Gas is defined in the Law Concerning the Promotion of Measures to Cope with Global Warming (1998) and applies to carbon dioxide, methane, nitrous oxide, chlorofluorocarbon (CFC) alternatives, and sulfur hexafluoride.
2. The Guidelines for Company Reporting on Greenhouse Gas Emissions (2005)
3. Due to the diversity of the company's operations, measurement of the GHG emissions of N.B.G.MS NETWORK CO., LTD. is limited to the company's retail stores.



Reducing carbon dioxide emissions

The largest volume of greenhouse gas emissions is carbon dioxide, and the most effective way we can lower the carbon dioxide emissions from our operations is by reducing the electric power consumption at our stores. To minimize electricity usage, we select highly energy-efficient equipment following the Top Runners method (using the best-in-class technology) and install inverters and low-voltage control circuits on equipment. Other efforts include systematically converting to self-adjusting fluorescent lighting control systems in our stores.

For more information about our efforts to reduce carbon dioxide emissions, please visit:
http://www.ministop.co.jp/eco_social/eco_pd.html (Japanese only)

In 1998, we began introducing vehicles that run on compressed natural gas (CNG) and emit less carbon dioxide, and in 2002 introduced the Integrated Transport and Delivery Control System to reduce energy consumption throughout our delivery operations. The system incorporates radio communications and a global positioning system (GPS), and aims to lower fuel consumption and reduce engine idling.

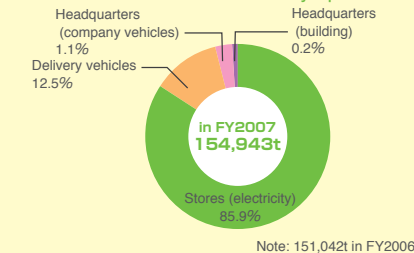
For more information about our delivery and transport systems, please visit:
http://www.ministop.co.jp/eco_social/eco_pd.html (Japanese only)

Energy consumption per store

	FY2006	FY2007
Electricity usage	190,932 k W h	192,086 k W h
CO2 emissions ⁴	74.65t-CO ₂	75.1t-CO ₂

⁴ Based on the Ministry of the Environment's published carbon dioxide emission factor of 0.391.

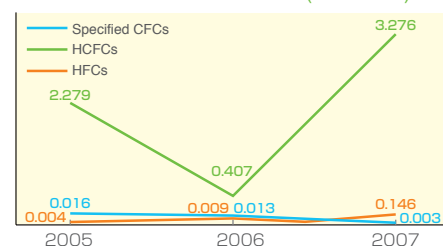
Carbon dioxide emissions by operation



Elimination of ozone depleting substances

In fiscal 2007, we completed the removal and dismantling of all kitchen refrigerators, freezers, and other equipment that used regulated CFCs (those that contribute to ozone layer depletion). The removal and dismantling was carried out by government-certified specialists.

Conversion to CFC alternatives (Unit: Tons)



ISO 14001 certification

In January 2008, an ISO official examiner verified that the company would successfully pass the ISO 14001 reexamination and the certification would remain valid. Examiners determined the company's environmental management system (EMS) complied with all ISO standards (no instances of nonconformance). The examiners also cited 10 categories to monitor, including document control, internal communications, and specialized instruction, and we are earnestly addressing those points. We plan to continue meeting and exceeding the ISO 14001 standards as we work to further reduce our carbon footprint.

Regulatory compliance

During the past fiscal year, there were no instances of non-compliance with government regulations, and no environment-related accidents.

For more information about our environmental management system, please visit:
http://www.ministop.co.jp/eco_social/eco_ems.html (Japanese only)

Ministop environmental policy (Third revision)

We will consider the global environment, together with our customers, franchise stores, and business partners. Aiming to create a recycling-oriented society, we will learn together and take action, with a full recognition of our respective roles.

Continuous improvement

We will continuously improve our environmental management systems, and will set and periodically revise our environmental targets and objectives based on this Environmental Policy.

We will incorporate environmental practices (green procurement, resource conservation, energy conservation, reuse, recycling, waste reduction, etc.) into all our business activities.

Compliance

We will comply with all laws and regulations, as well as any environmental commitments made by Ministop in response to requests.

Safe and reliable products and services

We will develop and select safe and reliable products and services, while considering the diverse lifestyles of our customers.

Environmental protection activities

We will participate proactively in tree planting and other environmental protection activities.

Policy awareness

We will promote awareness of our Environmental Policy among Ministop employees and all people associated with Ministop operations.

Policy disclosure

We will make our Environmental Policy available to the public and properly disclose all related information.

The 4 R's

Reduce, Reuse, Recycle, and Reasonable Treatment

Food product recycling

Ministop views leftover food items not as waste but as a resource. In 1998, we began trials and tests of composting and other methods to find the most productive way to recycle food that has reached its expiration date. The result was the start in 2004 of our "ecofeed" project, producing feed for use by pig farmers. Meat from the pigs raised on ecofeed is used in our minced pork cutlet lunch boxes, which went on sale in April 2008. The ecofeed project is currently in operation in Kanagawa Prefecture, and we plan to gradually establish similar projects in more regions in the future.

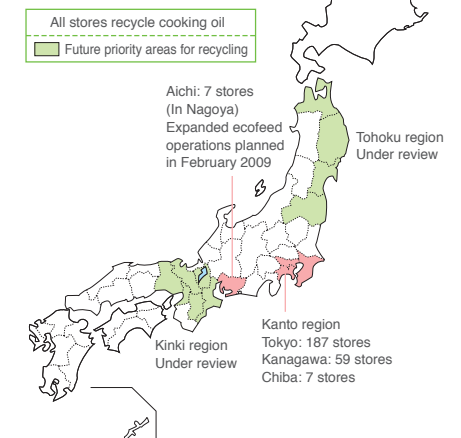


Arita Hog Science (Pig Farm)

Masanori Arita

Amid increasing concern about food safety and security, and with over 60 percent of Japan's food being imported from overseas, this production system fulfills consumer demand for food that is both safe and good tasting. The system provides full traceability and produces higher quality products while efficiently recycling food waste. We are applying our experience and expertise to make this a key component in the recycling loop for providing a stable and reliable supply of food.

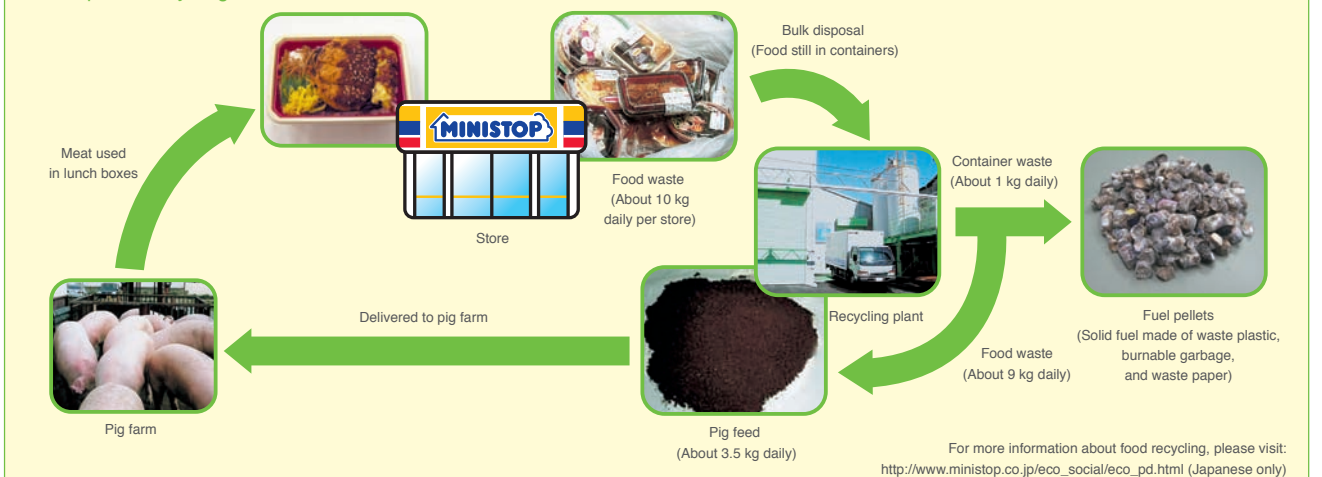
Stores recycling food (As of March 31, 2007)



	FY2005	FY2006	FY2007
Stores recycling food	258 Stores	269 Stores	260 Stores

In FY2007, store closures reduced the number.

Ministop food recycling



Cooking Oil Recycling

Since its founding in 1980, Ministop has been recycling 100 percent of its used cooking oil through specialized contractors. The cooking oil is currently recycled for use in livestock feed, soap, and ink products.

Annual emission volume per store

	FY2005	FY2006	FY2007
General waste	—	19.3t	22.1t
Cooking oil	—	2.4t	2.1t

Note: Fiscal 2005 data is not available due to a revision in calculation methods.

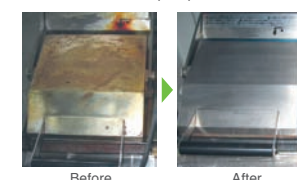
Reducing Construction Waste and Reusing Equipment

Ministop stores are built by assembling prefabricated units on-site. This construction method ensures the buildings comply with all building regulations and minimizes the amount of waste material produced, while also enabling unit reuse. During store renovation or closure, furnishings and equipment are collected at the Ministop Repair Center where they are repaired and reconditioned for use in future stores.

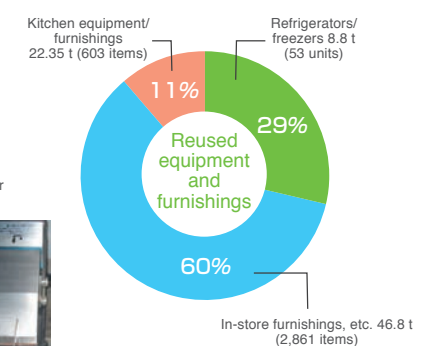
For more information about our store and equipment recycling operations, please visit:
http://www.ministop.co.jp/eco_social/eco_pd.html (Japanese only)



Unit construction method



Reconditioning a panini toaster at the Ministop Repair Center.



Social Reporting

Ministop and Society



Ministop conducts its daily operations guided by the Management Philosophy of Ministop (see page 6) and the Basic Principles of the Aeon Group.

The company considers itself an active and responsive member of the community and seeks to earn the support of its customers, shareholders, local people and communities, its business partners and franchises, and NPOs and NGOs as well as other stakeholders.

Ministop maintains an open dialogue with its stakeholders carries out its operations and activities with the aim of continuing to fulfill the trust place in it by society.

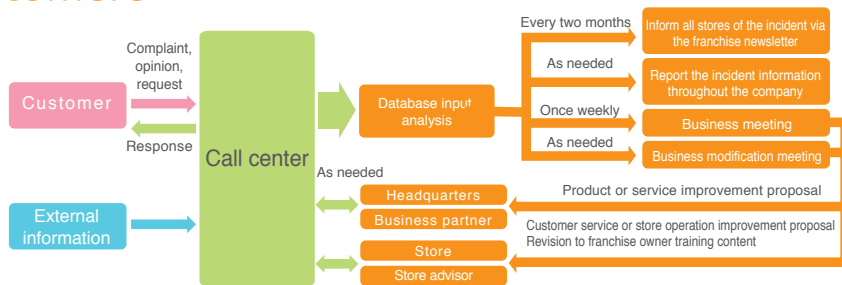
Customers	Our customers are all individuals and groups that utilize our products and services.
Local People and Communities	We cooperate with local law enforcement and proactively respond in times of emergency.
Suppliers	We build partnerships based on fair business practices.
Franchised (FC) store	We seek partners that share our objectives to "be part of the community and provide customer satisfaction."
Shareholders	We seek to return profit to our shareholders and investors by raising corporate value through fortifying our financial and management, and social standing.
Employees	Employees are all individuals employed by the headquarters. Each employee seeks to contribute to Service Improvement (see page 3) with the goal of creating a "beneficial" company.
NPOs and NGOs	We fully cooperate with NPOs and NGOs in efforts to realize a sustainable society (see page 1).

Ministop and Our Customers

Listening to our customers

Customer comments and opinions are extremely valuable to us. To encourage communication, we created our call center in 1998 and established the Customer Response Policy in February 2008.

All customer communications received via our toll-free number and email are maintained in an internal database accessible by our headquarters, stores, and business partners to ensure each topic receives the proper attention and response.



Further information about our Customer Response Policy is available at the following web site:
<http://www.ministop.co.jp/correspondence/index.html> (Japanese only)

Friendliness check

In 1997, we initiated unannounced store visits to verify the integrity of our store relations with customers. During the visits, a non-company researcher posing as an ordinary customer observes and interacts with store staff. The researcher completes a point rating assessment, and the store advisor reports the results to store. In fiscal 2007, some of the items found were dirty floor tiles in and around stores, bathrooms that required cleaning, and substandard greetings from staff. In all cases, these checks allowed us to quickly respond and amend the situations.

Ministop and Local Communities

Child Internship program

The Child Internship Program offers educational work experience for elementary and junior high school students. The unique program was established in 2005 with the aim of providing young members of society with an opportunity to interact with the local community and experience being a contributing member to the local community while also allowing them to experience first-hand the rigors and responsibility of employment, which contributes to an increased sense of appreciation toward workers.

A record 375 students participated in the program at 129 stores in fiscal 2007, helping to further strengthen ties between our stores and their local communities.

Further information about the Child Internship Program is available at the following web site:
http://www.ministop.co.jp/internship_child/index.html (Japanese only)

Safety Station initiative

Ministop is an active participant in the cooperative initiative of the Japan Franchise Association member convenience stores, the police and local governments to establish convenience stores as community safety sites. The initiative was expanded nationwide in 2005.

Further information about the Safety station initiative is available at the following web site:
http://www.ministop.co.jp/eco_social/social_safety.html (Japanese only)



Safety Station posters identify Ministop stores as community safety sites.

Report and incident response to the sales of alcohol and tobacco to minors

Ministop maintains a strict policy of asking any customer desiring to purchase alcohol or tobacco and who appears underage to show verification of their age at the register at the time of purchase. Despite our efforts, two 18-year-old male customers were allowed to purchase alcoholic beverages at a store in Kanagawa Prefecture in January 2008. Upon gaining knowledge of the incident, we reviewed our policy with all employees to ensure age verification is carried out whenever uncertainty exists about whether the customer is of an appropriate age.

Ministop and Our Franchise Stores

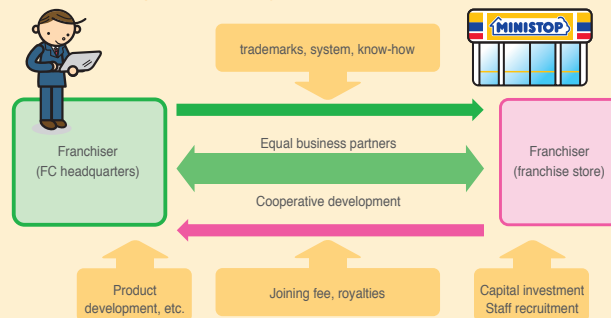
A Ministop store is the result of a franchise contract between our headquarters and the member store. Ministop headquarters provides study sessions, seminars and other programs to strengthen the mutual partnership and works with the franchise owner to train staff, vitalize store operations and activities, and highlight the characteristics of the store and the local community.

Fair and balanced contracts

The headquarters and franchise store relationship

Ministop follows a franchise system in which the headquarters provides the franchise store with products, operating systems, and other support, and the franchise store submits royalty payments to the headquarters. Ministop values its franchise partnerships as a rewarding combination of the strengths of the headquarters and the franchise stores.

The Ministop Franchise System



*Communications, opinions, and requests received from the franchise owners via the Owner Consultation Department, Ministop 21 campaign and other sources are conveyed by the store supervisor to the company president.

Franchise contract officer certification program

Ministop established the FC Contract Officer Certification Program to ensure the prospective franchise owners have a complete understanding of all aspects of the franchise contract content. Independent Contract Officers This system enables us to develop staff with insight to what the franchise owners want to know and promotes development of a highly motivated staff capable of generating ideas for effective problem-solving. Certification is received after one year of training, and Store Development Supervisors are required to pass annual FC Contract Officer qualification tests.

FC Contract Certification Officers

	FY2005	FY2006	FY2007
FC Contract Certification Officers	91	85	82

The contract and conditions

Ministop provides prospective franchise owners with extensive information materials a reasonable period in advance of the contract signing to ensure the proper understanding of the franchise contracts. The contracts fully comply with the Small and Medium-sized Retail Business Promotion Act, the Enforcement Regulations of the Small and Medium-sized Retail Business Promotion Act, and the Anti-Monopoly Law.



Before Starting a Franchise Business



Franchise Contract Overview and Key Points

Number of franchise contracts¹

Contract Conditions	FY2004	FY2005	FY2006
Franchise store openings (including relocated existing stores)	163 ³	189	200
Franchise stores closing mid contract ² (including stores closed before relocation)	84	67	79
Franchise stores renewing contracts	99	98	84
Franchise stores not renewing contracts	38	54	73

Litigation cases¹

Litigation Content	FY2004	FY2005	FY2006
Appeals Raised by a Franchise or Franchisee	0	0	0
Appeals Raised by the Company	0	0	0

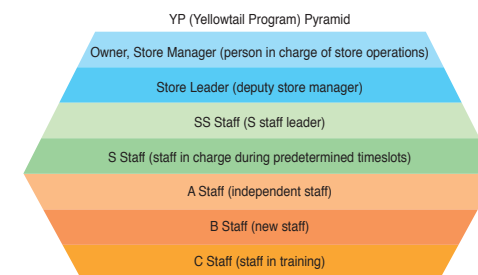
1. Fiscal 2007 data will be presented in the Franchise Contract Overview and Key Points scheduled for publication in July 2008.
 2. The contract period is seven years.
 3. The figure includes 21 stores added with the consolidation of JR Shikoku MS Networks Co., Ltd.

FC Staff Education Program – The Yellowtail Program

Ministop believes that a proactive attitude of store employees directly relates to the level of customer satisfaction, and we instituted the unique Yellowtail Program in 2004 to educate employees and promote consistency throughout the workforce.¹ The program has developed into a significant part of our training and education system, and in fiscal 2007 some 650 of our staff (30 percent of our staff workforce) were authorized Store Leaders. In fiscal 2008, we plan to introduce a second stage to the Yellowtail Program.

In addition, we are expanding the scope of our education programs to respond to changes in Japan's general population. We believe securing and educating staff will be an important issue in Japan owing to the declining birthrate and a growing proportion of elderly people, and we are developing curriculum to attract and train foreign staff, particularly in urban areas.²

1. The program, providing career-advancement opportunities for employees, is named for the fish known as yellowtail, which in Japan is associated with gradual improvement.
 2. We are currently preparing educational tools for Chinese speaking staff.



Keisuke Horigome
 YP & Human Resource Development,
 FC store training Dept., FC support Div.

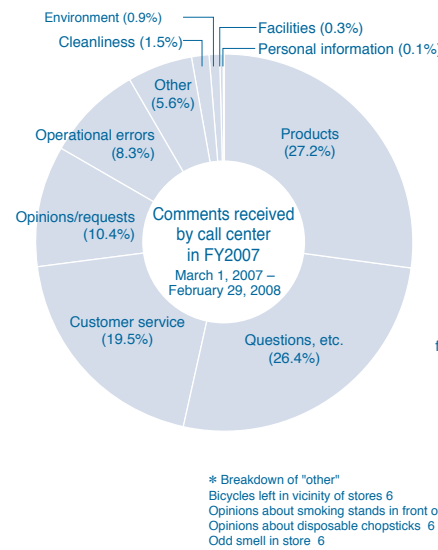
The Yellowtail Program presents a fun and enriching way to work that stimulates staff to improve themselves and plays an important role in making our customers happy.

Comments Received by Call Center

In fiscal 2007, the Call Center and individual departments received a total of 14,993 comments (114.7% compared to the previous year) from customers. Of the total, 75.6% were received via phone calls, 24.1% via the company website, and the remainder by letter and postcard. In March 2008 Ministop formulated a Customer Response Policy, and will use this policy as a platform for further use of customer comments to improve our business. Environment-related comments accounted for 1.5% of total, which was 110.9 percentage points higher than in fiscal 2006.

There were encouraging comments about February's trial marketing project of soft-serve ice cream made using fair trade cacao.

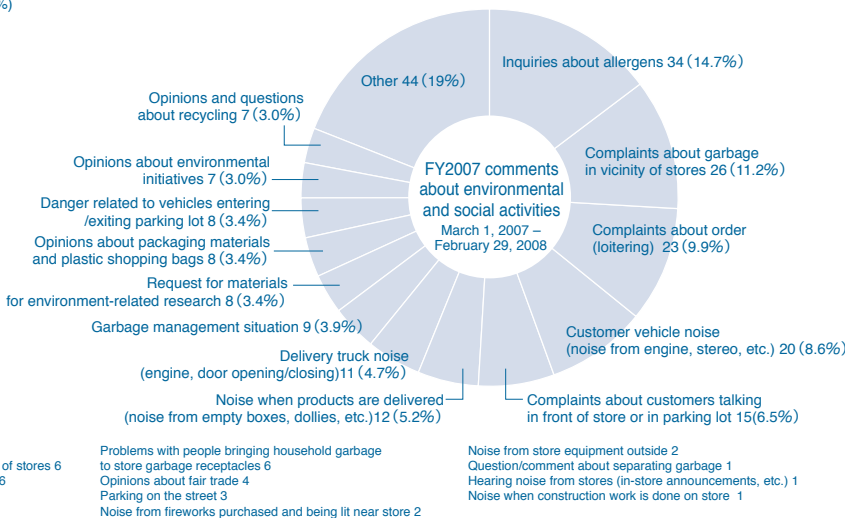
*Please refer to page 13 for more detail about the Call Center.



Customer comments received by call center

Fiscal Year	Number of Comments(*1)
FY2005	11,448 (175)
FY2006	13,065 (202)
FY2007	14,993 (224)

*1 The number in parentheses indicates that of opinions and requests related to the environment, but does not include requests for copies of the Environmental and Social Report, and includes certain categories other than environment-related.



CASE 1 Comment about smoking stand in front of store and customer service

✉ E-mail received on September 25 (Tuesday) at 16:55

I work very close to a Ministop store so I go there twice each day, once in the morning and once at lunchtime. I would like to see some improvements made so that going to the store is a more pleasant experience. Despite the fact that the road in front of the store is a no smoking area, there is a smoking stand situated at the store's entrance. Smokers sometimes gather at the store, which makes it rather unpleasant to go in.

Also, when I pay at the cash register, there are times when the store staff chat amongst themselves while working and sometimes the staff will roughly grab my items and scan them. This makes for an unpleasant experience. (From a customer living in Tokyo)

E-mail received from same customers after situation was addressed

Soon after I sent my e-mail the smoking stand was removed, much to the delight of both my colleagues and me. Some people still smoke there out of habit but I think as time goes by they will stop. At any rate, thank you for taking the smoking stand away quickly.

CASE 2 Comment about customer service

✉ E-mail received on July 28 (Saturday) at 22:30

I went to the store at a little after 10 pm, and on one side of the parking lot a group of young people were gathered in front of their cars. They were making a commotion about something, but the staff didn't ask them to settle down even though they could be seen from within the store. I am glad that a Ministop store opened nearby, but I am worried that it will turn into a hangout spot for young people. (From a customer living in Shizuoka Prefecture)

Report from store advisor

The store had just recently opened and I wasn't aware (of what was going on outside), but I spoke with the owner and we will try to be a store well-accepted by the community. The owner promised to tell the young people to stop hanging out in the parking lot.

CASE 3 Words of encouragement

✉ E-mail received on January 28 (Monday) at 21:10

I frequently shop at Ministop. Today I bought the new salt and caramel soft-serve ice cream and the service from the employee working in the store was great, so I decided to write this e-mail to show my appreciation. I have a nine-month old son who I am still breast-feeding. He is allergic to eggs and wheat so I completely avoid eating both eggs and wheat, which means I can't eat soft-serve ice cream or cones both of which I love. I had given up on them, but today I decided to ask the woman working at the cash register if she could put it in another container since my son is allergic and I can't eat the cone. She said sure and then said that she could take off the things on other desserts that I wasn't able to eat. I love sweets, and had been refraining from eating them because of my son's allergies, so I am so grateful that I can eat soft-serve ice cream and other desserts at Ministop.

I think I will go to Ministop frequently from now on, thanks so much! The salt and caramel soft ice cream was really delicious!! I will go and get it again. If other Ministop stores could provide the same kind of service it would really be great for me as a mother of a child with allergies. (From customer living in Tokyo)

Results of Survey about the 2007 MINISTOP Sustainability Report

We received 50 comments with ideas and thoughts about the 2007 MINISTOP Sustainability Report. We would like to thank those people who provided us with valuable feedback.

We will use the ideas and thoughts we received in our environmental and social initiatives, starting with the preparation of this report, and will do our best to put such ideas into action.

*Due to space considerations, comments have been summarized.

*The position of the person making the comment is written in parenthesis.

Number of requests for sustainability report

Fiscal Year	Number of requests
FY2005	783
FY2006	1,005
FY2007	1,663

*Includes data from ECO HOTLINE, a company to which we outsource report mailing.

1 Opinions and thoughts about the Environmental and Social Report 2007

[Praise]

● I really agree with your stance on fair trade. Also, it would be nice if the people living nearby recognized Ministop as a safety station (registered refuge for persons needing help). (Shareholder)

● Overall, the report was very easy to understand, and I enjoyed it. I love Ministop soft-serve ice cream, so I thought the section about the process of making the ice cream was especially interesting. (Environmental officer for company/organization)

● Product labels are easy to understand, which helps me because it allows me to shop safely for my son who has allergies. (Customer)

[Requests for additional initiatives and other opinions]

● The "Initiatives Important to Ministop" section made me stop and think. Consumers should not expect Ministop to solve environmental problems alone. If we don't do our part we will not achieve good results. (Customer)

● Concerning stores' eco-friendliness on page 6, I was surprised as there were a lot of things I wasn't aware of. I hope you will continue to try lots of ways to reduce waste. (Shareholder)

● After reading the report I understand Ministop's activities, but Ministop stores don't promote the fact that they are making such efforts. If you promoted this more, I think that customers would become more aware of the problems. (Customer)

● I think that your CSR-related activities were summarized well in the Special Topics section. I would like you to give a more detailed explanation about food safety, so that consumers will feel secure and have more trust in the safety of food. (Customer)

2 Opinions and thoughts about Ministop's environmental and social activities

[Opinions and requests for initiatives for co-existing with customers and local communities]

● I look forward to the ways in which you will respond to the aging of society. I hope that you will make it easier for elderly people to shop. (Shareholder)

● Companies should return profits to society. Please continue to develop good initiatives. (Customer)

● There are still only a small number of store workers who ask whether or not I need plastic shopping bags. (Shareholder)

● Convenience stores are everywhere, so I want them to have a good impact on society and the environment, as well as on people. (Customer)

● I think that the stores' promotion of individual activities is insufficient. Activities to protect the environment require everyone's cooperation, so I think you should promote this more. (Shareholder)

● I use as few plastic shopping bags and disposable chopsticks as possible. I think that both stores and consumers should try to be kind to the earth. (Customer)

● While there are children who live in wealthy countries, have nice lives, and are able to become knowledgeable about a variety of things, I was surprised that there are many child laborers in the world. It would be nice if you could help the children in those countries. (Customer)

The personal information you provide will be used only for the report and for mailing soft-serve ice cream tickets. Ministop outsources report mailing operations to an external vendor, and personal information is provided to this external vendor. Ministop instructs the vendor to manage all personal information appropriately and conducts oversight to verify, in order to prevent the leakage, falsification, damage, loss or improper accessing of personal information.

料金受取人私郵便
神田支店
承認
7463

差出有効期限
平成21年5月
20日まで

POSTCARD

101-8796 517

Environmental Promotion,
CA Promotion Dept.
Management Planning Div.
MINISTOP CO., LTD.

3rd floor Kandabashi Yasuda Building,
1-1 Kanda-Nishikicho, Chiyoda-ku,
Tokyo 101-8796-517

|||||

Name	Gender (M / F) Age Range (____ 's)
Address 〒 (____)	
Telephone number (____) ____ - ____	
From what position did you read the report? (You may check up to 2 boxes) ☐ Customer ☐ Business partner ☐ NGO/NPO ☐ Environmental officer for company/organization ☐ Shareholder ☐ Research/educational institution ☐ Student ☐ Governmental body ☐ Involved with a Ministop store ☐ Other (____)	
Would you like to receive next year's CSR Report? (Scheduled for release in May 2009) ☐ Yes ☐ No	

Feedback Manager

Please visit http://www.ministop.co.jp/eco_social/index.html (Japanese only)

Our online Feedback Manager system allows anonymous submissions of opinions and comments about our environmental and social activities. We welcome and internally review all comments about any of our activities.

A Sample of Customer Comments Received in FY2007

Reducing usage of plastic bags

● I realize that it might be difficult for a 24-hour convenience store to charge for plastic bags, but I think you can do more to cut down on the amount of bags used. Staff often put my purchases into the bag so fast that I don't have time to refuse. Because people may not like excessive packaging, but still find it hard to refuse, I urge you to ensure that staff first ask customers whether or not they would like a bag.

Food product recycling

● I recently saw on TV that it was difficult finding buyers for animal feed made from food waste, so I am glad to see that you are actually recycling the food yourselves. It may be a tough road, but I urge you to continue adding stores that implement the system until all your stores are participating.

Fair trade products

● In the future, I believe people are going to select products "in good conscience" based not just on product ingredients but also in consideration of the environment and human rights. When buying things for consumption, no one would feel good about purchasing something knowing the item impacted the environmental or human rights. The Aeon Group was highly commended when it began offering fair trade goods, and I was pleased to hear that Ministop was also offering fair trade chocolate, canned coffee, and other items. It is very meaningful for a convenience store to be selling fair trade products. I sincerely hope that this will become the standard.

Please Send Us Your Opinions and Feedback

Environmental Promotion, CA Promotion Dept., Management Planning Div.
MINISTOP CO., LTD.

Kandabashi Yasuda Building, 3rd Floor 1-1 Kanda-Nishikicho, Chiyoda-ku, Tokyo 101-0054
TEL: +81-3-3259-5284 FAX: +81-3-3294-2051 Email: hp@ministop.co.jp

Thank you for reading the Ministop CSR Report 2008. We would like to know what you think of our activities and operations. Please use the postcard below to send us your unreserved opinions and comments. Your input will be used to help determine our future activities and how we can continue to improve.

- 1. Which points in the Ministop CSR Report 2008 would you like to know more about?
- 2. What opinions and comments do you have about the Ministop CSR Report 2008?
- 3. Please share any other opinions or comments you would like to communicate to us.

Thank you.

About Ministop CSR report 2008.

1 Which points in the Ministop CSR Report 2008 would you like to know more about?

2 What opinions and comments do you have about the Ministop CSR Report 2008?

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

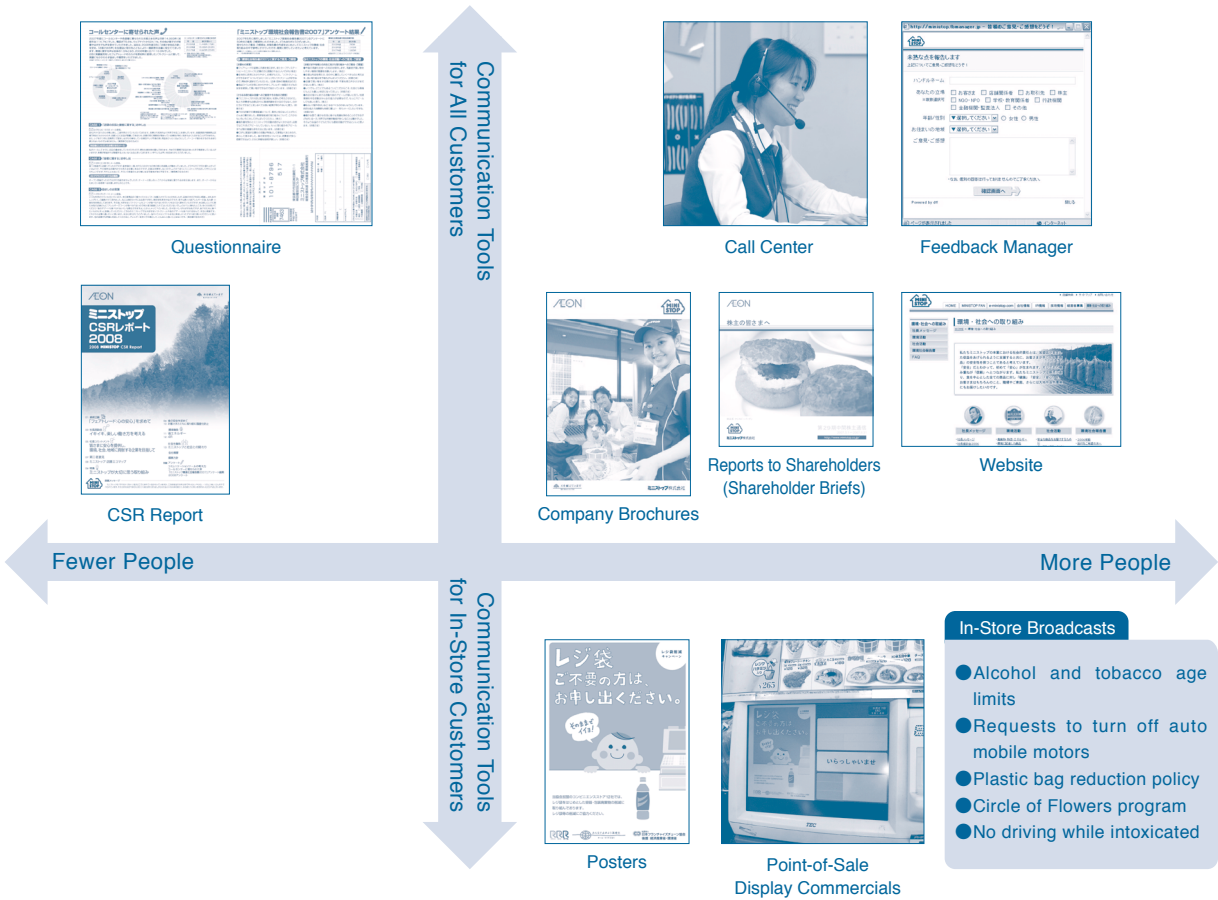
Thank you.

In appreciation, we will send a coupon for a free soft-serve ice cream cone to anyone who submits a postcard, residing in Japan.



Communication Tools

Ministop utilizes various tools to communicate with customers, franchise stores, staff, shareholders and the public about its environmental and social activities. We aim to provide the information they want in clear and easy-to-understand formats.



Communication Tools for All Customers

- Website
The Ministop website introduces new products and provides corporate data, explanations for people interested in opening a franchise, management information for shareholders and investors, and outlines of our environmental and social activities. The website also carries interesting background information about some of our popular products.
<http://www.ministop.co.jp/> (Japanese only)
- Reports to Shareholders (Shareholder Briefs)
These printed reports (also available by Internet) provide details of interest to our shareholders, including outlines of our business operations, along with detailed financial information and management policies.
http://www.ministop.co.jp/company/ir/business_report.html (Japanese only)

Communication Tools for In-Store Customers

- In-Store Broadcasts
In-store broadcasts seek the cooperation of customers with Ministop initiatives, such as requesting drivers to turn off vehicle engines when parked and to participate in our efforts to reduce plastic bag usage.
- Posters
In-store posters introduce and seek customer cooperation in Ministop activities and initiatives.
- Company Brochures
Ministop publishes company brochures about its business and franchise system, particularly for Ministop franchise owners.
- CSR Report
For customers and all stakeholders, CSR reports introduce our approaches and the details of our environmental and social activities
- Point-of-Sales Display Commercials
Post-of-sale LCD screens in stores introduce our environmental and social activities, such as reducing plastic bag usage.