

## 1. Consolidated Operating Results

### (1) Results and Forecasts for Major Financial Indicators

(Billions of yen)

	FY2006		FY2007		FY2008		FY2009(Forecasts)			
	Fiscal Year	YOY	Fiscal Year	YOY	Fiscal Year	YOY	First Half	YOY	Fiscal Year	YOY
Total Net Sales	1,386.6	101.8%	1,415.1	102.1%	1,558.7	110.2%	866.0	112.4%	1,721.0	110.4%
Total Operating Revenues	283.0	105.6%	301.1	106.4%	349.4	116.0%	233.0	143.5%	469.0	134.2%
Operating Profit	44.5	101.5%	46.6	104.7%	49.1	105.5%	29.2	100.3%	50.5	102.7%
Recurring Profit	44.6	101.6%	46.2	103.6%	48.7	105.5%	28.9	100.0%	49.7	101.9%
Net Profit	20.9	95.3%	22.1	105.4%	23.8	107.6%	15.7	101.2%	25.5	107.1%
Net Profit per Share	¥201.50		¥214.69		¥240.10		¥158.31		¥257.13	
Net Assets	199.4		188.5		201.1					
Total Assets	398.2		397.1		436.0					
Payout Ratio	49.6%		51.2%		66.6%					
Net Assets per Share	¥1,868.91		¥1,867.84		¥1,968.12					
ROA	11.5%		11.7%		11.8%					
ROE	11.3%		11.6%		12.5%					
Current Ratio	103.8%		88.6%		84.2%					
Fixed Ratio	127.4%		139.8%		144.1%					
Capital Adequacy Ratio	49.0%		46.6%		44.8%					

Number of Stores	8,564	8,587	9,527
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Note 1 : Total operating revenues includes total sales of Company-owned stores and royalties from franchised stores, etc..

2 : The Number of stores includes LAWSON and NATURAL LAWSON stores operated by the Company, and LAWSON STORE100 stores operated by VALUE LAWSON, Inc.

However, from fiscal 2008, SHOP99 and LAWSON STORE100 stores operated by Ninety-nine Plus Inc. and Ninety-nine Plus Kansai Inc. are also included.

3 : The operating results of Ninety-nine Plus Inc. for the period from October 2008 through December 2008 were included in consolidated figures for fiscal 2008.

4 : Forecast net profit per share for fiscal 2009 was calculated based on the number of outstanding shares as of February 28, 2009.

### (2) Number of Stores

	FY2006		FY2007		FY2008	
	Fiscal Year		Fiscal Year		Fiscal Year	
Opened( + )	700		452		501	
Closed( - )	502		429		414	
Re-location( - )	156		106		131	
Total Number of Stores	8,564		8,587		8,674	
Net Increase	198		23		87	

Note: The number of stores shows the total number of LAWSON, NATURAL LAWSON and LAWSON STORE100 stores.

Ninety-nine Plus and Ninety-nine Plus Kansai were consolidated in 3Q FY2008, though the fiscal 2008 figures exclude stores operated by them.

### (3) Number of Employees

	FY2006		FY2007		FY2008	
		Change		Change		Change
Employees	3,614	29	3,735	121	5,186	1,451
Employees (Part-time and Temporary)	4,128	398	4,436	308	9,374	4,938

Note 1: The average number of part-time employees is calculated on the assumption of an 8-hour working day.

2: Employees and employees(part-time and temporary) of Ninety-nine Plus Inc. and Ninety-nine Plus Kansai Inc. are included from fiscal 2008.

## (4) Number of Stores by Region and Prefecture

(store)

		FY2007			FY2008			Net Increase (Decrease)		
		LAWSON	LAWSON STORE 100 / SHOP99	Total	LAWSON	LAWSON STORE 100 / SHOP99	Total	LAWSON	LAWSON STORE 100 / SHOP99	Total
Hokkaido	Hokkaido	496	-	496	498	-	498	2	-	2
	Aomori	156	-	156	162	-	162	6	-	6
	Iwate	166	-	166	166	-	166	0	-	0
	Miyagi	158	22	180	158	25	183	0	3	3
	Akita	141	-	141	142	-	142	1	-	1
	Yamagata	55	-	55	56	-	56	1	-	1
	Fukushima	95	5	100	93	5	98	(2)	0	(2)
Tohoku		771	27	798	777	30	807	6	3	9
	Ibaraki	105	6	111	101	5	106	(4)	(1)	(5)
	Tochigi	104	-	104	105	-	105	1	-	1
	Gunma	71	-	71	68	-	68	(3)	-	(3)
	Saitama	342	46	388	329	43	372	(13)	(3)	(16)
	Chiba	282	57	339	282	60	342	0	3	3
	Tokyo	846	316	1,162	901	332	1,233	55	16	71
	Kanagawa	473	146	619	487	153	640	14	7	21
Kanto		2,223	571	2,794	2,273	593	2,866	50	22	72
	Niigata	103	-	103	100	-	100	(3)	-	(3)
	Yamanashi	64	-	-	66	-	66	2	-	2
	Nagano	139	-	139	133	-	133	(6)	-	(6)
Koshinetsu		306	-	306	299	-	299	(7)	-	(7)
	Toyama	105	-	105	106	-	106	1	-	1
	Ishikawa	73	-	73	78	-	78	5	-	5
	Fukui	88	-	88	92	-	92	4	-	4
Hokuriku		266	-	266	276	-	276	10	-	10
	Shizuoka	148	13	161	154	13	167	6	0	6
	Aichi	329	97	426	328	95	423	(1)	(2)	(3)
	Gifu	102	7	109	104	6	110	2	(1)	1
	Mie	84	-	84	84	-	84	0	-	0
Tokai		663	117	780	670	114	784	7	(3)	4
	Shiga	126	-	126	123	-	123	(3)	-	(3)
	Kyoto	194	36	230	201	35	236	7	(1)	6
	Osaka	818	113	931	816	119	935	(2)	6	4
	Hyogo	487	30	517	497	32	529	10	2	12
	Nara	105	5	110	102	2	104	(3)	(3)	(6)
	Wakayama	115	-	115	110	-	110	(5)	-	(5)
Kinki		1,845	184	2,029	1,849	188	2,037	4	4	8
	Tottori	85	-	85	87	-	87	2	-	2
	Shimane	77	-	77	82	-	82	5	-	5
	Okayama	123	-	123	122	-	122	(1)	-	(1)
	Hiroshima	128	-	128	132	-	132	4	-	4
	Yamaguchi	112	-	112	108	-	108	(4)	-	(4)
Chugoku		525	-	525	531	-	531	6	-	6
	Tokushima	109	-	109	109	-	109	0	-	0
	Kagawa	98	-	98	98	-	98	0	-	0
	Ehime	155	-	155	150	-	150	(5)	-	(5)
	Kouchi	62	-	62	60	-	60	(2)	-	(2)
Shikoku		424	-	424	417	-	417	(7)	-	(7)
	Fukuoka	320	-	320	331	-	331	11	-	11
	Saga	60	-	60	58	-	58	(2)	-	(2)
	Nagasaki	82	-	82	84	-	84	2	-	2
	Kumamoto	92	-	92	90	-	90	(2)	-	(2)
	Oita	118	-	118	126	-	126	8	-	8
	Miyazaki	83	-	83	84	-	84	1	-	1
	Kagoshima	106	-	106	106	-	106	0	-	0
	Okinawa	135	-	135	133	-	133	(2)	-	(2)
Kyusyu		996	-	996	1,012	-	1,012	16	-	16
Total		8,515	899	9,414	8,602	925	9,527	87	26	113

Note : LAWSON non-consolidated figures include 93 NATURAL LAWSON stores as of February 28, 2009 and 91 stores as of February 29, 2008.

## (5) Number of Stores of Equity Method Affiliate by Region

SHANGHAI HUALIAN LAWSON CO., LTD. (store)				
	Dec-07	Dec-08	Dec-09	Net Increase (Decrease)
Shanghai	291	287	300	13

## (6) Number of Stores by Store Type

		FY2006		FY2007		FY2008		Net Increase (Decrease)
			Share		Share		Share	
Franchised Stores	Type B	1,512	17.7%	1,369	15.9%	1,322	13.9%	(47)
	Type G	2,209	25.8%	2,123	24.7%	2,041	21.4%	(82)
	Type C	4,367	51.0%*	4,641*	54.0%	4,863	51.0%	222
	NATURAL LAWSON	5	0.1%*	15	0.2%	22	0.2%	7
	LAWSON STORE100 • SHOP99	-	-	-	-	114	1.2%	114
Total		8,093	94.5%	8,148	94.9%	8,362	87.8%	214
Company-Owned Stores	LAWSON	296	3.5%*	291	3.4%	283	3.0%	(8)
	NATURAL LAWSON	95	1.1%*	76	0.9%	71	0.7%	(5)
	LAWSON STORE100 • SHOP99	80	0.9%	72	0.8%	811	8.5%	739
	Total	471	5.5%	439	5.1%	1,165	12.2%	726
Total		8,564	100.0%	8,587	100.0%	9,527	100.0%	940

\*Erroneous shop numbers were printed in this material published FY2007 and this has been amended.

Note : LAWSON STORE100 • SHOP99 includes stores operated by Ninety-nine Plus Inc. and Ninety-nine Plus Kansai Inc.

## (7) Consolidated Statement of Income

(Millions of yen)

	Previous period From March 1, 2007 to February 29, 2008	Current period From March 1, 2008 to February 28, 2009	Increase (Decrease)
Operating Revenues	216,910	229,532	12,621
Franchise Commissions from Franchised Stores	177,443	186,927	9,484
Net Sales Reported by Franchised Stores)	1,331,784	1,439,682	107,897
(Total Net Sales of LAWSON Stores Including Franchised Stores)	1,415,106	1,558,781	143,675
Other	39,467	42,604	3,136
Net Sales	84,266	119,943	35,677
Total Operating Revenues	301,176	349,476	48,299
Cost of Goods Sold	61,176	88,358	27,181
Gross Profit on Sales	( 23,089 )	( 31,585 )	( 8,496 )
Operating Gross Profit	239,999	261,117	21,117
Selling, General and Administrative Expenses	193,389	211,931	18,541
Operating Profit	46,610	49,186	2,576
Non-Operating Income	1,795	2,056	261
1. Interest Received	928	943	14
2. Compensation Received for Damage	166	138	(28)
3. Compensation Received for Removal	336	646	309
4. Other	363	328	(34)
Non-Operating Expense	2,160	2,456	295
1. Interest Expense	23	31	7
2. Loss on Cancellation of Store Lease Contract	1,686	1,493	(192)
3. Equity in Losses of Affiliated Companies	200	631	430
4. Other	249	299	49
Recurring Profit	46,244	48,787	2,542
Special gains	-	94	94
1. Gain on Sales of Fixed Assets	-	3	3
2. Gain on Sales of Investment in Securities	-	91	91
Special Losses	8,109	8,610	501
1. Loss on Disposal of Fixed Assets	5,010	4,053	(957)
2. Loss on Sales of Fixed Assets	20	112	92
3. Loss on Impairment of Long-lived Assets	2,449	2,013	(436)
4. Provision of allowance for doubtful accounts	-	1,936	1,936
4. Other	628	494	(134)
Income before Income Taxes and Minority Interests	38,134	40,271	2,136
Income Taxes-current	17,493	17,675	181
Deferred Income taxes	(1,971)	(1,124)	846
Minority Interests in Net Profit	493	(87)	(580)
Net Profit	22,119	23,807	1,688

## (8) Selling, General and Administrative Expenses

(Millions of yen)

	Previous period From March 1, 2007 to February 29, 2008	Current period From March 1, 2008 to February 28, 2009	Increase (Decrease)
Rent	58,562	62,323	3,761
Personnel Expenses	39,927	46,203	6,275
Equipment Lease	18,414	14,988	(3,425)
Depreciation Expenses	16,630	16,752	122
Advertising and Promotional Expenses	9,385	13,781	4,395
Other	50,468	57,881	7,412
Total	193,389	211,931	18,541

## (9) Consolidated Balance Sheet

(Millions of yen)

Account Item	Fiscal Period		Increase (Decrease)
	Previous Period	Current Period	
	(As of Feb 29, 2008)	(As of Feb 28, 2009)	Amounts
	Amounts	Amounts	Amounts
<b>(Assets)</b>			
<b>Current Assets</b>	138,250	154,760	16,510
Cash and Bank Deposits	62,126	82,486	20,359
Accounts Receivable-Due from Franchised Stores	11,949	21,376	9,426
Marketable Securities	4,199	5,299	1,100
Merchandise Inventories	1,723	5,292	3,569
Prepaid Expenses	5,804	7,010	1,205
Short-term Loans Receivable	20,000	300	(19,699)
Accounts Receivable-Other	26,983	26,692	(291)
Deferred Tax Assets	3,632	4,061	428
Other	1,932	2,382	449
Allowance for Doubtful Accounts	(102)	(140)	(37)
<b>Fixed Assets</b>	258,856	281,335	22,478
<b>Property and Store Equipment-at Net Book Value</b>	106,431	114,999	8,567
Buildings and Structures	85,914	94,321	8,407
Furniture, Fixtures and Equipment	13,724	13,458	(265)
Land	5,844	6,899	1,054
Construction in Progress	948	320	(628)
<b>Intangible Assets</b>	18,287	31,902	13,614
<b>Investments and Other</b>	134,137	134,433	296
Investments in Securities	7,607	750	(6,857)
Long-term Loans Receivable	25,646	27,422	1,775
Long-term Prepaid Expenses	4,158	6,049	1,890
Lease Deposits	82,754	85,357	2,602
Deferred Tax Assets	12,809	14,469	1,659
Deferred Tax Assets for Land Revaluation	467	180	(287)
Other	3,095	4,546	1,451
Allowance for Doubtful Accounts	(2,403)	(4,342)	(1,939)
<b>Total Assets</b>	<b>397,107</b>	<b>436,096</b>	<b>38,988</b>
Accumulated Depreciation for Property and Store Equipment	114,321	127,887	13,565

Account Item	Fiscal Period		Increase(Decrease)
	Previous Period	Current Period	
	(As of Feb 29, 2008)	(As of Feb 28, 2009)	Amounts
	Amounts	Amounts	Amounts
<b>(Liabilities)</b>			
<b>Current Liabilities</b>	155,979	183,740	27,761
Accounts Payable-trade for Company operated Stores	4,352	12,890	8,537
Accounts Payable-trade for Franchised Stores	61,234	64,325	3,091
Accounts Payable-Due to Franchised Stores	2,201	822	(1,379)
Long-term Debt due within one Year	-	816	816
Accounts Payable-Other	13,149	26,314	13,165
Accounts Payable-Other for Franchised Stores	177	326	149
Income Taxes Payable	11,427	9,455	(1,971)
Consumption Taxes Payable	1,438	1,039	(398)
Accrued Expenses	2,134	2,509	374
Deposits Received	56,294	60,780	4,486
Accrued Employees' Bonuses	2,663	3,199	535
Provision for Use of Points Granted	797	933	136
Other	108	327	218
<b>Long-term Liabilities</b>	52,554	51,188	(1,366)
Long-term Debt	-	1,152	1,152
Allowance for Employees' Retirement Benefits	4,174	5,050	875
Allowance for Retirement Benefits to Executive Officers and Corporate Auditors	182	201	18
Deposits Received from Franchisees and Lessees	45,831	42,440	(3,390)
Allowance for Impairment Loss on Leased Property	314	480	166
Other	2,052	1,863	(189)
<b>Total Liabilities</b>	<b>208,534</b>	<b>234,929</b>	<b>26,395</b>
<b>(Net Assets)</b>			
<b>Owners' Equity</b>	185,579	196,124	10,545
Common Stock	58,506	58,506	-
Capital Surplus	41,520	41,520	-
Retained Earnings	87,390	97,811	10,420
Treasury Stock-at Cost	(1,837)	(1,712)	125
<b>Valuation and Translation Adjustments</b>	(408)	(950)	(542)
Net Unrealized Gain (Loss) on Available-for-Sale Securities	134	(40)	(175)
Deferred Loss on Derivatives under Hedge Accounting	(1)	-	1
Land Revaluation Difference	(682)	(969)	(287)
Foreign Currency Translation Adjustments	140	59	(81)
Stock Acquisition Rights	159	274	114
Minority Interests	3,242	5,717	2,475
<b>Total Net Assets</b>	<b>188,573</b>	<b>201,166</b>	<b>12,593</b>
<b>Total Liabilities, and Total Net Assets</b>	<b>397,107</b>	<b>436,096</b>	<b>38,988</b>

## (10) Consolidated Statement of Changes in Net Assets

(From March 1, 2008 to February 28, 2009)

(Millions of yen)

	Owners' Equity					Valuation and Translation Adjustments					Stock Acquisition Rights	Minority Interests	Total Net Assets
	Common Stock	Capital Surplus	Retained Earnings	Treasury Stock	Total Owners' Equity	Net Unrealised Gain on Available for-Sale Securities	Deferred Loss on Derivatives under Hedge Accounting	Land Revaluation Difference	Foreign Currency Translation Adjustments	Total Valuation and Translation Adjustments			
Balance at the End of Previous Period	58,506	41,520	87,390	(1,837)	185,579	134	(1)	(682)	140	(408)	159	3,242	188,573
Change of Items during the Period													
Dividends from Surplus			(13,385)		(13,385)								(13,385)
Net Profit			<u>23,807</u>		<u>23,807</u>								<u>23,807</u>
Purchase of Treasury Stock - at Cost				(1)	(1)								(1)
Exercised of Stock Acquisition Rights (Treasury Stock Allotment)			(1)	126	125								125
Net Change of Items during the Fiscal Period						(175)	1	(287)	(81)	(542)	114	<u>2,475</u>	<u>2,048</u>
Total Change of Items During the Fiscal Period	-	-	<u>10,420</u>	125	<u>10,545</u>	(175)	1	(287)	(81)	(542)	114	<u>2,475</u>	<u>12,593</u>
Balance at the End of the Period	58,506	41,520	<u>97,811</u>	(1,712)	<u>196,124</u>	(40)	-	(969)	59	(950)	274	<u>5,717</u>	<u>201,166</u>

## (11) Investment and Loan (Consolidated)

	FY2006	FY2007	FY2008	(Millions of yen) FY2009 (Forecasts)
New Store	23,444	12,387	15,635	17,500
Existing Store	5,887	7,493	6,747	10,500
IT	4,662	7,733	12,064	14,000
Other	(1,395)	2,260	3,886	1,000
Subtotal	32,598	29,873	38,331	43,000
Investments & Loans	3,013	19,690	(14,564)	0
Lease	14,211	14,850	19,140	37,500
Total	49,822	64,413	42,907	80,500
Tangible Fixed Assets	16,185	16,630	16,752	20,700
Intangible Assets	5,163	4,815	4,126	8,000
Depreciation	21,348	21,445	20,879	28,700

Note : 'Lease' is the amount of equivalency charge in each fiscal term.

## (12) Consolidated Statement of Cash Flows

(Millions of yen)

	Previous Period From March 1, 2007 to February 29, 2008	Current Period From March 1, 2008 to February 28, 2009	Increase (Decrease)
<b>I Operating activities</b>			
Income before income taxes	38,134	<u>40,271</u>	<u>2,136</u>
Depreciation of property and store equipment	16,630	16,752	122
Loss from disposal of property and store equipment	2,383	2,038	(344)
Loss on impairment of long-lived assets	2,449	2,013	(436)
Depreciation of intangible fixed assets	4,815	4,126	(688)
Loss from disposal of intangible fixed assets	1,131	221	(909)
Increase in provision for allowance for retirement benefits to employees	648	875	227
Increase (decrease) in allowance for doubtful accounts	136	<u>1,917</u>	<u>1,780</u>
Interest received	(928)	(943)	(14)
Interest expense	23	31	7
Equity in gains of affiliated companies	200	631	430
Loss on sales of property and store equipment	20	112	92
Other-net	1,137	1,816	678
Increase in accounts receivable due from franchised store	(239)	(9,244)	(9,005)
Increase (decrease) in merchandise inventories	65	(277)	(342)
Increase (decrease) in accounts receivable-other	(984)	945	1,930
Increase in accounts payable-trase and due to franchised store	31	10	(21)
Increase (decrease) in accounts payable-others	(3,082)	12,025	15,108
Increase in deposit received	7,539	<u>4,392</u>	<u>(3,146)</u>
Decrease in lease deposit from franchised and lessees	(3,494)	(3,394)	100
Other-net	(874)	<u>(3,759)</u>	<u>(2,884)</u>
Subtotal	65,744	70,565	4,821
Interest and dividend income received	918	946	27
Interest expenses paid	(23)	(31)	(7)
Income taxes paid	(10,865)	(19,762)	(8,897)
Net cash provided by operating activities	55,773	51,717	(4,056)
<b>II Investing activities</b>			
Payment for purchases of marketable securities	(28,750)	(25,956)	2,793
Proceeds from redemption of marketable securities	40,892	25,900	(14,992)
Proceed from sales of investments in securities	0	111	110
Proceeds from Acquisition of Shares of Subsidiary Resulting in Change in Scope of Consolidation	-	2,227	2,227
Increase in advances to associated company	(5,976)	(49)	5,926
Increase in payment for acquisition of subsidiary stock from minority interests	(2,131)	(78)	2,053
Payment for acquisition of property and store equipment	(21,392)	(22,440)	(1,047)
Decrease (increase) in short-term loans receivable	(11,150)	19,700	30,850
Payment for acquisition of intangible fixed assets	(7,456)	(12,457)	(5,000)
Decrease in lease deposit -net	1,485	769	(715)
Increase in long-term loans receivable-net	(1,267)	(1,697)	(430)
Increase in long-term prepaid expenses	(1,063)	(2,467)	(1,404)
Other - net	285	792	506
Net cash used in investing activities	(36,525)	(15,647)	20,877
<b>III Financing activities</b>			
Decrease in short-term Debt	-	(1,294)	(1,294)
Repayment of long-term Debt	-	(307)	(307)
Proceeds from issuance of share upon exercise of stock options	59	125	66
Purchase of Treasury Stock	(21,000)	(1)	20,999
Cash Dividends paid	(10,964)	(13,385)	(2,421)
Cash Dividends paid to Minority Interests	(67)	(47)	19
Net cash provided(used) in financing activities	(31,973)	(14,911)	17,061
<b>IV Net increase(decrease) in cash and cash equivalents</b>	(12,724)	21,158	33,883
<b>V Cash and cash equivalents, beginning of year</b>	75,547	62,822	(12,724)
<b>VI Cash and cash equivalents, end of the period</b>	62,822	83,981	21,158

## (13) Subsidiaries and Equity Method Affiliate

### 1. Consolidated Subsidiaries

	VALUE LAWSON, Inc	i-Convenience, Inc	BestPractice, Inc
Date of Establishment	April-05	October-00	March-04
Fiscal Year End	February	February	February
Lawson's Share	100.0%	100.0%	100.0%

							(Millions of yen)		
	FY2006	FY2007	FY2008	FY2006	FY2007	FY2008	FY2006	FY2007	FY2008
Operating Profit	(979)	(535)	(131)	45	63	(29)	81	8	49
Recurring Profit	(1,068)	(617)	(188)	44	62	(30)	81	9	49
Net Profit	(1,310)	(687)	(230)	43	65	(57)	44	0	(0)

	Ninety-nine Plus, Inc	LAWSON ATM Networks, Inc	LAWSON TICKET, Inc																										
Date of Establishment	October-00	May-01	July-92																										
Fiscal Year End	March	February	February																										
Lawson's Share	76.7%	53.0%	75.1%																										
Composition of Shareholders	<table border="1"> <tr> <td>Hashimoto Hiroshi</td> <td>3.4%</td> </tr> <tr> <td>99Plus-Hakushinkai Stockholding</td> <td>2.4%</td> </tr> <tr> <td>Takahiro Fukahori</td> <td>1.0%</td> </tr> <tr> <td>99Plus-Juhgyouin Stockholding</td> <td>0.9%</td> </tr> </table>	Hashimoto Hiroshi	3.4%	99Plus-Hakushinkai Stockholding	2.4%	Takahiro Fukahori	1.0%	99Plus-Juhgyouin Stockholding	0.9%	<table border="1"> <tr> <td>Bank (29 companies)</td> <td>41.0%</td> </tr> <tr> <td>Oki Electric Industry Co., Ltd</td> <td>2.5%</td> </tr> <tr> <td>SECOM Co., Ltd</td> <td>2.5%</td> </tr> <tr> <td>NIPPON EXPRESS CO., LTD</td> <td>1.0%</td> </tr> </table>	Bank (29 companies)	41.0%	Oki Electric Industry Co., Ltd	2.5%	SECOM Co., Ltd	2.5%	NIPPON EXPRESS CO., LTD	1.0%	<table border="1"> <tr> <td>Japan Trustee Services Bank, Ltd.(Trust Account)</td> <td>2.4%</td> </tr> <tr> <td>G/I/P</td> <td>1.5%</td> </tr> <tr> <td>DISK GARAGE CO., LTD</td> <td>0.7%</td> </tr> <tr> <td>JAPAN SECURITIES FINANCE CO., LTD</td> <td>0.5%</td> </tr> <tr> <td>Trust &amp; Custody Services Bank, Ltd.(Trust Account)</td> <td>0.5%</td> </tr> </table>	Japan Trustee Services Bank, Ltd.(Trust Account)	2.4%	G/I/P	1.5%	DISK GARAGE CO., LTD	0.7%	JAPAN SECURITIES FINANCE CO., LTD	0.5%	Trust & Custody Services Bank, Ltd.(Trust Account)	0.5%
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G/I/P	1.5%																												
DISK GARAGE CO., LTD	0.7%																												
JAPAN SECURITIES FINANCE CO., LTD	0.5%																												
Trust & Custody Services Bank, Ltd.(Trust Account)	0.5%																												

	FY2006	FY2007	FY2008*	FY2006	FY2007	FY2008	FY2006	FY2007	FY2008
Operating Profit	955	401	(113)	866	1,201	1,439	836	635	791
Recurring Profit	863	356	(88)	870	1,213	1,452	870	697	840
Net Profit	(886)	47	(618)	509	717	589	506	422	(1,444)

\* Operating results for fiscal 2008 were compiled from quarterly reports (from April 1, 2008 through December 31, 2008).

### 2. Equity Method Affiliate

	Ninety-nine Plus Kansai, Inc
Date of Establishment	April-03
Fiscal Year End	March
Lawson's Share	100.0%

	SHANGHAI HUALIAN LAWSON CO., LTD.		
Date of Establishment	February-96		
Fiscal Year End	December		
Lawson's Share	49.0%		
Composition of Shareholders	<table border="1"> <tr> <td>HUALIAN(GROUP)CO., LTD</td> <td>51.0%</td> </tr> </table>	HUALIAN(GROUP)CO., LTD	51.0%
HUALIAN(GROUP)CO., LTD	51.0%		

Note 1: Ninety-nine Plus Kansai Inc. is a wholly owned consolidated subsidiary of Ninety-nine Plus Inc.

2: LAWSON TICKET INC. and i-Convenience, Inc. merged on March 1, 2009, with the former the surviving company.

3: VALUE LAWSON, Inc. and Ninety-nine Plus Inc. plan to merge on May 1, 2009, with Ninety-nine Plus Inc. as the surviving company.

## 2.Non-Consolidated Operating Results

(1) Results and Forecasts for Major Financial Indicators

(Billions of yen)

	FY2006		FY2007		FY2008		FY2009(Forecasts)			
	Fiscal Year	YOY	Fiscal Year	YOY	Fiscal Year	YOY	First Half	YOY	Fiscal Year	YOY
Total Net Sales	1,377.8	101.3%	1,402.7	101.8%	1,506.3	107.4%	783.0	102.6%	1,544.0	102.5%
Total Operating Revenues	256.0	103.2%	269.5	105.3%	279.7	103.8%	146.0	101.5%	287.0	102.6%
Operating Profit	44.3	101.3%	45.3	102.2%	46.9	103.5%	27.6	100.2%	47.1	100.4%
Recurring Profit	44.5	102.0%	45.2	101.7%	47.3	104.5%	27.5	98.4%	46.6	98.5%
Net Profit	21.7	95.7%	18.8	87.0%	22.0	116.8%	12.1	86.8%	21.4	97.0%
Cash Dividends Per share	¥100		¥110		¥160		¥80		¥160	
Net Profit per Share	¥208.70		¥183.43		¥222.54		¥122.01		¥215.79	
Net Assets	200.2		187.1		195.6					
Total Assets	389.1		385.3		402.1					
Payout Ratio	47.9%		60.0%		71.9%					
Net Assets per Share	¥1,917.18		¥1,886.15		¥1,969.99					
ROA	11.7%		11.7%		11.9%					
ROE	11.5%		9.8%		11.5%					
Current Ratio	101.2%		85.1%		79.7%					
Fixed Ratio	126.6%		139.6%		141.8%					
Capital Adequacy Ratio	51.4%		48.5%		48.6%					

Note 1 : Total operating revenues includes total sales of Company-owned stores and royalties from franchised stores, etc

2 : Forecast net profit per share in the fiscal year plan is calculated based on the number of outstanding shares as of February 28, 2009.

(2) Number of Stores

	FY2006		FY2007		FY2008		FY2009(Forecasts)	
	Fiscal Year		Fiscal Year		Fiscal Year		Fiscal Year	
Opened( + )	665		449		500		540	
Closed( - )	489		413		410		460	
Re-location( - )	156		106		131		-	
Total Number of Stores	8,484		8,515		8,602		8,682	
Net Increase	176		36		90		80	

Note: The number of stores shows the total number of LAWSON and NATURAL LAWSON stores.

(3) Number of Employee

	FY2006		FY2007		FY2008	
		Change		Change		Change
Employees	3,131	11	3,316	185	3,459	143
The Average Age	37.1	0.0	36.9	(0.2)	37.1	0.2
Employees (Part-time and Temporary)	3,596	233	3,781	185	3,347	(434)

Note : The average number of part-time employees is calculated on the assumption of an 8-hour working day.

## (4) Non-Consolidated Statement of Income

(Millions of yen)

	Previous Period From March 1, 2007 to February 29, 2008	Current Period From March 1, 2008 to February 28, 2009	Increase (Decrease)
I Operating Revenues	198,580	207,593	9,013
Franchise Commissions from Franchised Stores	177,443	186,548	9,105
(Net Sales Reported by Franchised Stores)	1,331,784	1,434,166	102,382
(Total Net Sales of LAWSON Stores Including Franchised Stores)	1,402,786	1,506,312	103,525
Other	21,137	21,045	(91)
II Net Sales	71,001	72,145	1,143
Total Operating Revenues	269,582	279,739	10,157
III Cost of Goods Sold	50,746	51,760	1,013
Gross Profit on Sales	( 20,254 )	( 20,385 )	( 130 )
Operating Gross Profit	218,835	227,978	9,143
IV Selling, General and Administrative Expenses	173,500	181,065	7,565
Operating Profit	45,334	46,913	1,578
V Non-Operating Income	1,864	2,141	277
1. Interest Received	809	836	27
2. Compensation Received for Damage	166	138	(28)
3. Compensation Received for Removal	316	646	329
4. Other	571	520	(51)
VI Non-Operating Expense	1,900	1,733	(167)
1. Loss on Cancellation of Store Lease Contract	1,651	1,459	(192)
2. Other	248	273	24
Recurring Profit	45,298	47,321	2,023
VII Special gains	-	120	120
1. Gain on Sales of Fixed Assets	-	3	3
2. Gain on sales of investments in securities	-	91	91
3. Gain on sales of investments in subsidiaries and affiliates	-	25	25
VIII Special Losses	13,042	9,505	(3,536)
1. Loss on Disposal of Fixed Assets	4,989	3,586	(1,402)
2. Loss on Sales of Fixed Assets	29	112	83
3. Loss on Impairment of Long-lived Assets	2,449	1,980	(469)
4. Loss on valuation of stocks of subsidiaries and affiliates	3,422	605	(2,816)
5. Provision of allowance for doubtful accounts	-	2,800	2,800
6. Loss on liquidation of subsidiaries and affiliates	1,611	-	(1,611)
7. Other	540	419	(120)
Income before Income Taxes	32,256	37,936	5,680
Income Taxes-current	16,779	16,436	(342)
Deferred Income taxes	(3,422)	(566)	2,855
Net Profit	18,899	22,066	3,167

## (5) Selling, General and Administrative Expenses

(Millions of yen)

	Previous Period From March 1, 2007 to February 29, 2008	Current Period From March 1, 2008 to February 28, 2009	Increase (Decrease)
Rent	57,985	60,474	2,489
Personnel Expenses	35,619	37,880	2,261
Equipment Lease	16,268	11,601	(4,666)
Depreciation Expenses	16,502	16,203	(298)
Advertising and Promotional Expenses	9,059	13,370	4,310
Other	38,065	41,533	3,468
Total	173,500	181,065	7,565

## (6) Non-Consolidated Balance Sheet

(Millions of yen)

Account Item	Fiscal Period		Increase (Decrease)
	Previous Period (As of Feb 29, 2008)	Current Period (As of Feb 28, 2009)	
	Amounts	Amounts	Amounts
<b>(Assets)</b>			
Current Assets	124,358	125,134	775
Cash and Bank Deposits	51,450	64,068	12,617
Accounts Receivable-Due from Franchised Stores	11,949	21,170	9,220
Marketable Securities	2,000	3,000	1,000
Merchandise Inventories	1,432	1,484	51
Prepaid Expenses	5,716	6,142	425
Short-term Loans Receivable	22,400	3,100	(19,300)
Accounts Receivable-Other	24,187	23,064	(1,123)
Deferred Tax Assets	3,545	4,590	1,044
Other	1,778	1,384	(394)
Allowance for Doubtful Accounts	(102)	(2,868)	(2,766)
Fixed Assets	260,976	276,982	16,005
Property and Store Equipment-at Net Book Value	105,616	107,477	1,860
Buildings	72,519	75,682	3,162
Structures	12,926	12,353	(573)
Furniture, Fixtures and Equipment	13,377	12,222	(1,154)
Land	5,844	6,899	1,054
Construction in Progress	948	320	(628)
Intangible Assets	16,042	24,132	8,089
Investments and Other	139,316	145,373	6,056
Investments in Securities	525	259	(266)
Stocks of subsidiaries and affiliates	12,256	16,843	4,587
Investments in capital of subsidiaries and affiliates	438	438	-
Long-term Loans Receivable	25,646	27,355	1,708
Long-term Prepaid Expenses	3,730	5,313	1,583
Lease Deposits	82,467	81,489	(978)
Deferred Tax Assets	14,125	13,746	(378)
Deferred Tax Assets for Land Revaluation	467	180	(287)
Other	2,061	2,128	66
Allowance for Doubtful Accounts	(2,403)	(2,381)	21
<b>Total Assets</b>	<b>385,335</b>	<b>402,117</b>	<b>16,781</b>
Accumulated Depreciation for Property and Store Equipment	113,904	122,671	8,766

Account Item	Fiscal Period		Increase (Decrease)
	Previous Period (As of Feb 29, 2008)	Current Period (As of Feb 28, 2009)	
	Amounts	Amounts	Amounts
<b>(Liabilities)</b>			
Current Liabilities	146,195	156,960	10,764
Accounts Payable-trade for Company operated Stores	3,512	3,385	(127)
Accounts Payable-trade for Franchised Stores	61,234	62,951	1,716
Accounts Payable-Due to Franchised Stores	2,201	764	(1,436)
Accounts Payable-Other	11,459	22,753	11,293
Accounts Payable-Other for Franchised Stores	177	318	141
Income Taxes Payable	11,014	8,439	(2,575)
Consumption Taxes Payable	1,360	675	(684)
Accrued expenses	1,902	1,746	(155)
Deposits Received	49,908	51,862	1,954
Accrued Employees' Bonuses	2,552	3,065	513
Provision for Use of Points Granted	792	928	136
Other	80	68	(11)
Long-term Liabilities	51,993	49,521	(2,471)
Allowance for Employees' Retirement Benefits	4,104	4,963	858
Allowance for Retirement Benefits to Executive Officers and Corporate Auditors	140	147	7
Deposits Received from Franchisees and Lessees	45,809	42,434	(3,375)
Allowance for Impairment Loss on Leased Property	314	352	38
Other	1,623	1,623	-
<b>Total Liabilities</b>	<b>198,188</b>	<b>206,482</b>	<b>8,293</b>
<b>(Net Assets)</b>			
Owners' Equity	187,534	196,339	8,805
Common Stock	58,506	58,506	-
Capital Surplus	41,520	41,520	-
Retained Earnings	89,345	98,025	8,680
Treasury Stock-at Cost	(1,837)	(1,712)	125
Valuation and Translation Adjustments	(548)	(979)	(431)
Net Unrealized Gain (Loss) on Available-for-Sale Securities	133	(10)	(144)
Land Revaluation Difference	(682)	(969)	(287)
Stock Acquisition Rights	159	274	114
<b>Total Net Assets</b>	<b>187,146</b>	<b>195,634</b>	<b>8,488</b>
<b>Total Liabilities, and Total Net Assets</b>	<b>385,335</b>	<b>402,117</b>	<b>16,781</b>

(7) Non - consolidated Statement of Changes in Net Assets  
 (From March 1, 2008 to February 28, 2009)

(Millions of yen)

	Owners' Equity									Valuation and Translation Adjustments			Stock acquisition rights	Total Net Assets	
	Common Stock	Capital Surplus			Legal Reserve	Retained Earnings			Treasury Stock	Total Owners' Equity	Net Unrealized Gain on Available-for-Sale Securities	Land Revaluation Difference			Total Valuation and Translation Adjustments
		Additional Paid - in Capital	Other Capital Surplus	Total Capital Surplus		Other Legal Reserve		Total Retained Earnings							
						General Reserve	Earned Surplus Brought Forward								
Balance at the end of previous period	58,506	41,520	-	41,520	727	50,000	38,618	89,345	(1,837)	187,534	133	(682)	(548)	159	187,146
Change of items during the interim period															
Dividends from surplus							(13,385)	(13,385)		(13,385)					(13,385)
Net profit							22,066	22,066		22,066					22,066
Purchase of treasury stock - at cost									(1)	(1)					(1)
Exercise of stock acquisition rights (treasury stock allotment)							(1)	(1)	126	125					125
Net changes of items other than owners' equity - net											(144)	(287)	(431)	114	(316)
Total change of items during the fiscal period	-	-	-	-	-	-	8,680	8,680	125	8,805	(144)	(287)	(431)	114	8,488
Balance at the end of the period	58,506	41,520	-	41,520	727	50,000	47,298	98,025	(1,712)	196,339	(10)	(969)	(979)	274	195,634

## (8) Investment and Loan (Non-Consolidated)

(Millions of yen)

	FY2006	FY2007	FY2008	FY2009 (Forecasts)
New Store	22,905	12,376	15,372	16,000
Existing Store	5,749	7,412	6,377	9,500
IT	4,106	6,415	11,302	13,000
Other	(1,477)	2,053	3,822	1,000
Subtotal	31,283	28,256	36,873	39,500
Investments & Loans	5,713	20,026	(14,244)	500
Lease	12,191	10,059	13,088	34,000
Total	49,187	58,341	35,717	74,000
Tangible Fixed Assets	16,071	16,502	16,203	19,200
Intangible Assets	4,835	4,624	3,507	6,500
Depreciation	20,906	21,126	19,711	25,700

Note : 'Lease' is the amount of equivalency charge in each fiscal term.

### 3. Sales and Products (Non-Consolidated)

(1) YOY Rate

	FY2006	FY2007	FY2008	FY2009 (Forecasts)	
				First Half	Fiscal Year
Sales of Existing Stores	98.2%	99.2%	106.5%	100.5%	100.0%

Note: The numeric data shows results of existing stores during the respective accounting period.

(2) Average Daily Sales per Store

(Thousands of yen)

	FY2006	FY2007	FY2008
Total Stores	477	478	517
New Stores	429	436	505

(3) Average Number of Customers and Average Purchase Value per Customer in Existing Stores

(Persons, yen)

	FY2006	FY2007	FY2008
Number of Customers	813	812	868
Spend per Customer	585	586	589

Note: The numeric data shows results of existing stores during the respective accounting period.

(4) Inventory Turnover in Days (Based on All Stores, Inventory per Store)

(Thousands of yen)

	FY2006		FY2007		FY2008	
		YOY		YOY		YOY
Inventory	5,360	101.7%	5,390	100.6%	5,714	106.0%
Inventory Turnover in Days	11.9	102.9%	12.0	100.8%	11.6	96.7%

Note: term average

(5) Area of Floor (All stores)

(m<sup>2</sup>)

	FY2006		FY2007		FY2008	
		YOY		YOY		YOY
Area of Floor	915,365	103.4%	935,993	102.3%	951,499	101.7%

(6) Liquor-Licensed, Cigarette-Licensed, 24-hour Operating and Parking Lots Equipped Stores (All stores)

(Store)

	FY2006		FY2007		FY2008	
		Share		Share		Share
Liquor-Licensed	7,976	94.0%	8,305	97.5%	8,417	97.8%
Cigarette-Licensed	7,153	84.3%	7,279	85.5%	7,498	87.2%
24-hour Operating	8,329	98.2%	8,331	97.8%	8,391	97.5%
with Parking Lots	6,206	73.2%	6,255	73.5%	6,318	73.4%
Total	8,484	-	8,515	-	8,602	-

(7) Gross Profit Margin at Store level

	FY2006	FY2007	FY2008	FY2009 (Forecasts)	
				First Half	Fiscal Year
Fast Foods	36.5%	36.3%	36.1%		
Fresh Foods	33.8%	33.6%	33.7%		
Processed Foods	26.4%	26.3%	24.8%		
Non-Food Products	38.0%	38.5%	39.5%		
Total	31.3%	31.2%	30.1%		

Note 1 : Gross profit of non-food products include service commissions.

2 : Processed Foods includes cigarettes.

(8) Sales by Merchandise Category in Total Stores

(Billions of yen)

	FY2006		FY2007		FY2008	
		Share		Share		Share
Fast Foods	324.0	23.5%	326.2	23.3%	328.1	21.8%
Fresh Foods	152.8	11.1%	159.0	11.3%	168.5	11.2%
Processed Foods	700.8	50.9%	720.3	51.4%	819.2	54.4%
Non-Food Products	200.1	14.5%	197.1	14.1%	190.4	12.6%
Total	1,377.8	100.0%	1,402.7	100.0%	1,506.3	100.0%

Note: Cigarette sales' share of total sales was 22.6% in FY2008.

Category	Products included
Fast Foods	Rice Dishes, Noodles, Bread, Delicatessen Items, Fast Foods, etc...
Daily Delivered Foods	Daily Foods, Desserts, etc...
Processed Foods	Soft Drinks, Alcoholic Beverages, Processed Foods, Confectionery, Cigarettes, etc...
Non-Food Products	Daily Necessities, Books, Magazines, Online Merchandise sales and services, etc...

(9) Third Party Bill Settlement Service

(Millions of yen, Million)

	FY2006		FY2007		FY2008	
		YOY		YOY		YOY
Transaction Volume	*1,294,004	111.0%	1,412,335	109.1%	1,506,531	106.6%
Number of Settlement	140.9	107.9%	149.9	106.4%	156.6	104.4%
Commission Revenues	8,141	108.5%	8,275	101.6%	8,415	101.7%

\*The amount disclosed for "Transaction volume of third party bill settlement service" contained an error in FY2006.

The corrected value is reported in the above table.

(10) The Number of ATMs

(Number)

	FY2006	FY2007	FY2008
ATMs	4,245	5,643	5,970

#### 4. Shareholders Information(Non-consolidated)

##### (1)Distribution of Shareholders by Type

	End of Feb,09		
	(person)	(share)	(ratio)
Financial Institutions	94	25,553	25.7%
Securities Companies	45	1,603	1.6%
Other Domestic Entities	437	40,419	40.6%
Foreign Entities	445	23,237	23.3%
Individuals,Others	32,335	8,353	8.4%
JASDEC	1	0	0.0%
Treasury Stock	1	432	0.4%
<b>Total</b>	<b>33,358</b>	<b>99,600</b>	<b>100.0%</b>

##### (2)Principal Shareholders

	End of Feb,09	
	Shareholdings(Shares)	Shareholdings
Mitsubishi Corporation	32,089	32.4%
Japan Trustee Services Bank, Ltd. (Trust Account)	6,613	6.7%
The Master Trust Bank of Japan, Ltd. (Trust Account)	6,031	6.1%
Japan Trustee Services Bank, Ltd. (Trust Account 4G)	5,035	5.1%
Marubeni Foods Investment Co., Ltd.	4,786	4.8%
NTT DoCoMo, Inc.	2,092	2.1%
Trust & Custody Services Bank, Ltd.	1,185	1.2%
STATE STREET BANK AND TRUST COMPANY 505223	1,178	1.2%
The Nomura Trust & Banking Co., Ltd. (Trust Account)	1,038	1.0%
STATE STREET BANK AND TRUST COMPANY 505225	979	1.0%

<b>Total number of voting share</b>	<b>991,610</b>
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Note: The above shareholding ratios exclude treasury stock.