April 6, 2015

**Skylark Co., Ltd.**
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Public Relations Department
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# March 2015 Skylark Group Monthly IR Report (based on preliminary figures)

## March preliminary: same store sales grow 1.4%

**FY2015 (Same Store Sales)** (Y/Y%)

| Group total | Jan. | Feb. | Mar. | Apr. | May | Jun. | Jul. | Aug. | Sep. | Oct. | Nov. | Dec. | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Sales | 3.0% | 11.2% | 1.4% | - | - | - | - | - | - | - | - | - | 4.7% |
| Customer Traffic | -2.6% | 5.8% | -1.5% | - | - | - | - | - | - | - | - | - | 0.2% |
| Average Check | 5.7% | 5.0% | 2.9% | - | - | - | - | - | - | - | - | - | 4.5% |
| Gusto | Jan. | Feb. | Mar. | Apr. | May | Jun. | Jul. | Aug. | Sep. | Oct. | Nov. | Dec. | Total |
| Sales | 4.6% | 11.7% | 3.0% | - | - | - | - | - | - | - | - | - | 6.0% |
| Customer Traffic | -2.4% | 5.6% | -0.4% | - | - | - | - | - | - | - | - | - | 0.6% |
| Average Check | 7.2% | 5.7% | 3.4% | - | - | - | - | - | - | - | - | - | 5.3% |

**FY2014 (Same Store Sales)** (Y/Y%)

| Group total | Jan. | Feb. | Mar. | Apr. | May | Jun. | Jul. | Aug. | Sep. | Oct. | Nov. | Dec. | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Sales | 2.7% | -4.5% | 1.9% | 5.6% | 6.0% | 0.2% | 0.3% | 2.4% | -1.0% | 1.6% | 5.3% | 1.5% | 1.9% |
| Customer Traffic | 1.6% | -5.6% | -0.3% | 3.6% | 2.3% | -2.4% | -3.8% | -1.6% | -5.1% | -2.4% | 0.9% | -4.2% | -1.4% |
| Average Check | 1.0% | 1.2% | 2.2% | 2.0% | 3.6% | 2.7% | 4.3% | 4.1% | 4.4% | 4.1% | 4.4% | 5.9% | 3.3% |
| Gusto | Jan. | Feb. | Mar. | Apr. | May | Jun. | Jul. | Aug. | Sep. | Oct. | Nov. | Dec. | Total |
| Sales | 0.9% | -4.7% | -0.3% | 6.8% | 6.1% | 0.1% | -0.9% | 0.7% | -1.9% | 2.4% | 7.7% | 3.6% | 1.7% |
| Customer Traffic | 1.2% | -4.9% | -1.6% | 5.0% | 1.9% | -2.2% | -4.9% | -2.7% | -6.5% | -1.9% | 3.0% | -4.1% | -1.5% |
| Average Check | -0.3% | 0.2% | 1.3% | 1.7% | 4.2% | 2.4% | 4.2% | 3.5% | 5.0% | 4.4% | 4.5% | 8.0% | 3.3% |

(Note 1) The data for March 2015 is preliminary and does not include sales for subsidiaries. The consolidated domestic sales figures are planned to be released around the 10th of April.

(Note 2) The data for group total sales is on a domestic consolidated basis and does not include overseas sales. Please see below for the definition of "same store."*

## Highlights

In March, same store sales for Skylark increased 1.4% versus last year. Skylark achieved an increase in same store sales in 11 out of the past 12 months and has achieved an increase same store sales for 7 consecutive quarters.

In March, the average check continued to rise as customers chose to order higher priced items and increased orders of side menu items, deserts and drink bar/beverage options. Skylark achieved robust sales driven by popular fair menus such as Hiroshima oysters and avocados. Strong menu innovation and promotion continues to be one of the key differentiators for Skylark.

Skylark will continue to enhance overall customer satisfaction through its efforts in store remodeling, customer service improvement and menu innovation.

***Changes in the definition of "Same Store"**

From the Jan 2015 IR report, the definition of "same store" has been changed as follows:

- While same store was previously defined as a store which had been open for 18 months or longer, the period has been changed to 13 months or longer, which is the standard within the industry.
- Previously customer traffic did not include traffic from the delivery business. However, in consideration of the increasing impact of the delivery business on sales and customer traffic, we now include traffic from delivery business in customer traffic. The definition is as follows:
  * Customer traffic from delivery = Delivery sales / Average check
- Previously same store sales did not include stores which underwent brand conversion. However, converted stores are now being added to the category of same store sales as conversion is one of our key initiatives for traffic growth.