May 7, 2015
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April 2015 Skylark Group Monthly IR Report (based on preliminary figures)

April preliminary: same store sales +1.6%

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%	1.2%	1.6%	-	-	-	-	-	-	-	-	3.9%
Customer Traffic	-2.6%	5.8%	-1.8%	-2.4%	-	-	-	-	-	-	-	-	-0.5%
Average Check	5.7%	5.0%	3.1%	4.1%	-	-	-	-	-	-	-	-	4.4%
Gusto	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Total
Sales	4.6%	11.7%	3.0%	0.7%	-	-	-	-	-	-	-	-	4.6%
Customer Traffic	-2.4%	5.6%	-0.4%	-3.4%	-	-	-	-	-	-	-	-	-0.4%
Average Check	7.2%	5.7%	3.4%	4.2%	-	-	-	-	-	-	-	-	5.0%

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 April 2015 is preliminary and does not include sales for subsidiaries. The consolidated domestic sales figures are planned to be released around the 11th of May.
(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 April, same store sales for Skylark increased 1.6% year-on-year. Last April (April 2014) was a very strong month for Skylark with year-on-year growth of 5.6% due to successful initiatives rolled out immediately after the consumption tax hike. However, Skylark posted positive same store sales yet again in April 2015. Skylark has achieved year-on-year increase in same store sales in 11 out of the past 12 months and for 7 consecutive quarters.

In April, the average check continued to rise as customers chose to order higher priced items and increased orders of side menu items, desserts and drink bar/beverage options. Skylark achieved robust sales driven by popular limited-time offer items such as flat iron steak (Misuji), avocados and items using premium domestic ingredients including beef, noodles and fish. 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.