Dec. 7, 2015
Skylark Co., Ltd.
(Code 3197)

November 2015 Skylark Group Monthly IR Report

Consolidated same store sales -1.9%

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

Group total	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Total
Sales	3.0%	11.3%	1.2%	2.0%	5.7%	1.0%	3.0%	1.0%	1.2%	6.0%	-1.9%	-	2.9%
Customer Traffic	-2.6%	5.8%	-1.9%	-2.5%	1.9%	-2.2%	0.3%	-2.1%	-2.0%	3.3%	-3.8%	-	-0.7%
Average Check	5.8%	5.1%	3.2%	4.5%	3.8%	3.2%	2.7%	3.2%	3.2%	2.6%	2.0%	-	3.5%
Gusto	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Total
Sales	4.7%	11.8%	3.1%	0.9%	5.4%	0.0%	3.3%	0.9%	-0.1%	4.3%	-5.1%	-	2.5%
Customer Traffic	-2.4%	5.6%	-0.5%	-3.4%	2.1%	-2.4%	2.1%	-0.8%	-1.3%	4.1%	-5.2%	-	-0.3%
Average Check	7.2%	5.9%	3.6%	4.4%	3.3%	2.5%	1.2%	1.8%	1.2%	0.3%	0.0%	-	2.8%

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) 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 November, same store sales for Skylark declined (1.9%) year-on-year. Despite the negative result, Skylark has now achieved year-on-year increase in same store sales for 18 of the past 20 months.

November was a particularly difficult month due to a number of external challenges including weather and having one less weekend day. The guest count decline at Gusto was steeper than at other brands partly due to a very strong result last year. In early December, Gusto will be featuring a Grated Radish Hamburg for the value promotion price of ¥399.

During the month, the average check continued to rise as customers chose to order higher-priced items and increased orders of side menu items and the drink bar option. During the month, most Skylark brands featured Hiroshima Oysters (a seasonal favorite) as the key item in the limited time offer menu.

On the 25th of November Skylark successfully launched the Bamiyan mobile app. In less than a week the Bamiyan mobile app has now surpassed 150,000 downloads (the Gusto mobile app, launched in October 2014, currently has over 5 million users.)

Gusto: Limited-time item
Hiroshima Oysters



Bamiyan: Apps launched
Ranked no.2 in all category (free) apps!



Nilax: New brand opened
Collaborated with a popular magazine



***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.

Investor Relations Team
TEL: 0422-37-5244