June 6, 2017
**Skylark Co., Ltd.**
(Code 3197)

# May 2017 Skylark Group Monthly IR Report

**FY2017**

| (%YoY) | Jan. | Feb. | Mar. | Apr. | May | Jun. | Jul. | Aug. | Sep. | Oct. | Nov. | Dec. | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Total Sales | 2.0% | -0.1% | 2.1% | 3.5% | 0.5% | | | | | | | | 1.6% |
| Same Store Sales | 0.8% | -1.0% | 1.3% | 2.6% | -0.4% | | | | | | | | 0.7% |
| Same Store Traffic | -0.8% | -2.4% | -0.5% | 0.9% | -1.8% | | | | | | | | -0.9% |
| Same Store ATP | 1.6% | 1.4% | 1.8% | 1.7% | 1.4% | | | | | | | | 1.6% |

| | Jan. | Feb. | Mar. | Apr. | May | Jun. | Jul. | Aug. | Sep. | Oct. | Nov. | Dec. | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| New Openings | 6 | 3 | 5 | 10 | 5 | | | | | | | | 29 |
| Total # of Stores | 3,064 | 3,055 | 3,061 | 3,075 | 3,079 | | | | | | | | 3,079 |
| *International* | *48* | *48* | *47* | *48* | *48* | | | | | | | | *48* |

**Highlights**

In May 2017, sales for Skylark Group, including new store openings, increased 0.5% year on year, and same store sales decreased 0.4% year on year.
Compared with last May, there was one less weekend day resulting in a negative impact to same store sales.

During the Golden week holiday, Gusto performed exceptionally well due to the limited-time offer “Beef Cut Steak” as well as its promotions targeting families, such as special kids’ meals. On May 25th, Gusto started to promote its flagship product “CheeseIN Hamburg” at the special price of 399 yen (its usual price is 549 yen). As expected, the promotion is driving positive results.
Overall Skylark Group, experienced strong demand from customers on key holidays and events while slightly less demand on weekdays. The company is seeing greater demand for parties and larger customer groups. In May, Skylark group added private rooms for large group parties at both Yumean and Aiya (Japanese restaurants).

In May, Skylark Group opened 5 restaurants, of which 4 restaurants were Syabu-Yo. As of the end of May, the Group now has 163 Syabu-Yo stores.

Gusto: Limited-time offer
CheeseIN Hamburg ¥399 - Web CM




Aiya (Japanese restaurant):
Party menu




Syabu-Yo: View from Shibuya Station front building opened on May 20th



**FY2016**

| (%YoY) | Jan. | Feb. | Mar. | Apr. | May | Jun. | Jul. | Aug. | Sep. | Oct. | Nov. | Dec. | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Total Sales | 2.3% | 2.3% | -0.9% | 0.5% | -2.3% | 1.0% | 4.8% | -3.1% | -0.5% | 5.1% | 1.2% | 5.0% | 1.2% |
| Same Store Sales | 1.0% | 0.8% | -2.0% | -0.7% | -3.6% | -0.4% | 3.5% | -4.3% | -2.0% | 3.3% | -0.2% | 3.8% | -0.1% |
| Same Store Traffic | -0.3% | 0.0% | -2.7% | -1.5% | -3.8% | -1.2% | 2.6% | -4.9% | -2.1% | 2.2% | -2.4% | 0.9% | -1.2% |
| Same Store ATP | 1.3% | 0.8% | 0.7% | 0.8% | 0.3% | 0.8% | 0.8% | 0.6% | 0.1% | 1.1% | 2.2% | 2.9% | 1.0% |

| | Jan. | Feb. | Mar. | Apr. | May | Jun. | Jul. | Aug. | Sep. | Oct. | Nov. | Dec. | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| New Openings | 1 | 3 | 5 | 7 | 4 | 3 | 5 | 1 | 6 | 4 | 6 | 4 | 49 |
| Total # of Stores | 3,031 | 3,032 | 3,031 | 3,035 | 3,036 | 3,040 | 3,045 | 3,045 | 3,055 | 3,061 | 3,065 | 3,068 | 3,068 |
| *International* | 41 | 42 | 41 | 41 | 43 | 45 | 45 | 45 | 46 | 46 | 46 | 47 | 47 |

Note

1. The data for group total sales is on a domestic consolidated basis and does not include overseas sales.
2. Same store is defined as a store which has been open for 13 months or longer (includes stores which underwent brand conversion)
   Customer traffic includes traffic from the delivery business*
   *Customer traffic from delivery = Delivery sales / Average check
3. ATP: Average Ticket Price

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