April 2018 Skylark Group Monthly IR Report

May 10, 2018
Skylark Co., Ltd.
(Code 3197)

2018

(%YoY)		Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Total
All	Sales	0.8%	2.4%	6.3%	3.4%									3.3%
Same Store	Sales	-2.1%	-0.8%	2.5%	-0.4%									-0.1%
	Traffic	-3.7%	-2.3%	1.8%	-1.5%									-1.3%
	ATP	1.7%	1.5%	0.8%	1.2%									1.2%
New Store Openings		9	9	15	8									41
Remodelings		19	35	34	17									105
Brand Conversions		3	2	3	2									10
# of Stores	Gusto	1,367	1,367	1,368	1,366									1,366
	Bamiyan	332	332	332	332									332
	Jonathan's	301	301	300	300									300
	Yumean	194	194	193	193									193
	Syabu-Yo	182	182	187	187									187
	Steak Gusto	137	137	138	138									138
	Overseas	53	54	54	54									54
	Other	586	593	600	607									607
	Total	3,152	3,160	3,172	3,177									3,177

Highlights

Overview Total Sales: +3.4%, Same Store Sales: -0.4%

- In April, same store sales remain almost flat from the previous year
- Total sales increased by 3.4% as sales from newly opened stores last year were added

SSS Traffic: -1.5%, Average Ticket Price: +1.2%

- The number of coupons distributed are gradually resumed after it had been adjusted in the 4th quarter of 2017
  The impact on traffic, however, is still on the road to recovery
- Average ticket price increased due to a pricing strategy implemented in last October
- 17 remodeling of which 7 are Japanese brands such as Yumean and Aiya

New Openings 8 new store openings of which 3 restaurants were Karayoshi, 2 were chawan, and the remaining 3 brands were other brands, which is in line with our plan. In 2018, 41 new store openings were implemented (The annual plan is to open approx. 100 stores)

Other

- Delivery sales increased by 15% YoY due to shortening of delivery time. Take-out sales increased by 30% YoY owing to high demand for Karayoshi take-out
- Skylark mobile apps which launched in March started providing customers with coupons of Bamiyan and Jonathan's from the middle of April
- Karayoshi awarded a gold prize (soy sauce flavor section in East Japan) at the 9th Japan Fried Chicken Grand Prix sponsored by Japan Karaage Association

Highlights



Gusto: Limited-time offer
Lean beef cut steak



Bamiyan: Limited-time offer
HAkATA food-stall style
ramen served with pork



Karayoshi:
Awarded a gold prize
at the Fried Chicken Grand Prix

2017

(%YoY)		Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Total
All	Sales	2.0%	-0.1%	2.1%	3.5%	0.5%	3.5%	2.1%	2.5%	3.3%	-2.7%	1.5%	1.2%	1.6%
Same Store	Sales	0.8%	-1.0%	1.3%	2.6%	-0.4%	2.0%	0.6%	0.6%	1.2%	-5.1%	-1.2%	-1.5%	0.0%
	Traffic	-0.8%	-2.4%	-0.5%	0.9%	-1.8%	0.4%	-0.3%	-0.1%	-0.5%	-7.5%	-3.4%	-3.4%	-1.6%
	ATP	1.6%	1.4%	1.8%	1.7%	1.4%	1.6%	0.9%	0.7%	1.7%	2.6%	2.3%	1.9%	1.6%

New Store Openings	6	3	5	10	5	10	13	8	8	17	5	7	97
Remodelings	25	32	38	34	40	35	23	9	34	23	2	0	295
Brand Conversions	0	4	7	6	3	2	1	0	1	0	1	0	25
# of Stores	3,064	3,055	3,061	3,075	3,079	3,090	3,104	3,109	3,117	3,133	3,139	3,144	3,144

Note

1 The data is consolidated domestic sales at restaurant level 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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