May 2018 Skylark Group Monthly IR Report

Jun 6, 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%	0.7%								2.8%
Same Store	Sales	-2.1%	-0.8%	2.5%	-0.4%	-2.8%								-0.7%
	Traffic	-3.7%	-2.3%	1.8%	-1.5%	-3.3%								-1.7%
	ATP	1.7%	1.5%	0.8%	1.2%	0.6%								1.1%
New Store Openings		9	9	15	8	5								46
Remodelings		19	35	34	17	25								130
Brand Conversions		3	2	3	2	0								10
# of Stores	Gusto	1,367	1,367	1,368	1,366	1,366								1,366
	Bamiyan	332	332	332	332	332								332
	Jonathan's	301	301	300	300	300								300
	Yumean	194	194	193	193	193								193
	Syabu-Yo	182	182	187	187	189								189
	Steak Gusto	137	137	138	138	138								138
	Overseas	53	54	54	54	53								53
	Other	586	593	600	607	608								608
	Total	3,152	3,160	3,172	3,177	3,179								3,179

Highlights

Overview

Total Sales: +0.7%, Same Store Sales: -2.8%

- In May, one less holiday during the Golden Week and more rain compare to last year generated negative impact of 2.5% to the same store sales
- Total sales continued to be in good trend and increased by 0.7%

SSS

Traffic: -3.3%, Average Ticket Price: +0.6%

- The Skylark Group continues its efforts to make coupons more attractive after it had adjusted the number of coupons in the 4th quarter of 2017 in order to improve the quality of restaurant operations. The impact on traffic, however, is still on the road to recovery
- The latest limited-time offer "CheeseIN 399" at Gusto is receiving favorable response from customers
- Average ticket price as well as traffic grew at Bamiyan. The collaboration campaign with a popular idle group started on the 17th of May
- Carried out 25 remodeling of which 13 are Japanese brands such as Yumean and Aiya. This gives positive impacts on the same store sales

New Openings

5 new store openings of which 2 restaurants were Syabu-Yo, 1 was Karayoshi and the remaining 2 were other brands, which is in line with our plan. In 2018, 46 new store openings were implemented so far (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 20%
- The number of Karayoshi (fried chicken brand) reached to 30 stores in May (the first Karayoshi was opened in October 2017)

Highlights



Gusto: Limited-time offer
New Cheese-IN Hamburg



Bamiyan: a popular idol group
(Momoiro Clover Z) collaboration



Jonathan's: Limited-time offer
Deep-fried shrimp & Hamburg

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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