September 2019 Skylark Group Monthly IR Report

Oct 7, 2019
Skylark Holdings Co., Ltd.
(Code 3197)

2019

(%YoY)		Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Total
All	Sales	4.4%	5.6%	5.2%	3.4%	6.4%	3.8%	-2.4%	4.4%	3.4%				3.8%
Same Store	Sales	2.4%	3.3%	3.1%	1.2%	4.2%	1.8%	-4.3%	2.7%	1.5%				1.7%
	Traffic	2.2%	2.4%	0.2%	-1.1%	-0.5%	-3.0%	-8.4%	-2.6%	-4.4%				-1.8%
	ATP	0.2%	0.9%	2.9%	2.3%	4.7%	4.9%	4.5%	5.5%	6.2%				3.6%

New Store Openings		10	6	10	7	2	5	4	2	11				57
Remodels		12	18	31	18	15	18	19	12	11				154
Brand Conversions		4	11	10	13	11	2	8	0	1				60
# of Stores	Gusto	1,365	1,366	1,364	1,362	1,352	1,347	1,346	1,345	1,346				1,346
	Bamiyan	333	332	328	330	332	332	332	332	333				333
	Jonathan's	298	296	296	296	296	296	295	294	294				294
	Yumean	208	218	228	240	249	252	260	260	262				262
	Syabu-Yo	193	189	188	188	188	188	188	188	188				188
	Steak Gusto	138	136	136	136	135	135	135	135	135				135
	Overseas	58	58	57	57	57	57	57	57	59				59
	Other	602	606	612	616	616	617	619	618	618				618
	Total	3,195	3,201	3,209	3,225	3,225	3,224	3,232	3,229	3,235				3,235

*Total number of stores excludes 2 stores that are temporarily closed for brand conversions

Highlights

Overview Total Sales: +3.4%, Same Store Sales: +1.5%

- In September, one less weekend day compared to last year generated a negative impact, however, sales grew steadily
- Total sales, including new store openings after 2018, increased by 3.4% YoY

SSS Sales+1.5%, Traffic: -4.4%, Average Ticket Price: +6.2%

- Skylark prohibited smoking on the premises of all group restaurants from September 1, 2019. This leads to traffic decline to some extent
- Limited-time offerings at main brands such as Gusto, Jonathan's, Yumean and Aiya which offers value added seasonal menu items are started in September. This successfully drives average ticket price
- For example, Gusto started limited-time offering "Japan's Gourmet Travel Fair" from September 5, which serves regional cuisine of Japan with seasonal ingredients. This receives favorable responses from customers

New Openings 11 new stores were opened in September. Of which 4 were Musashino Mori Coffee, 2 were Syabu-Yo, 2 were Karayoshi, 1 was Gusto and 2 were in Taiwan.

Other

- The Skylark Group considers it is important to help achieve the SDGs (Sustainable Development Goals) through its business activities and has conducted a range of initiatives to realize sustainability and enhancement of social value in order to realize sustainable society

As a part of the initiatives, the Group experimentally introduced "LIMEX" menu books at approximately 40 Gusto stores.

*LIMEX is a new eco-friendly material mainly made from limestone, that can become an alternative to paper and plastic.

Highlights



Gusto: Limited-time offering
Autumn Fair



Jonathan's: Limited-time offering
Beef & Oyster Fair



Yumean: Limited-time offering
Autumn Fair



Jonathan's: Limited-time offering
Autumn Fair

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%	6.3%	1.2%	4.6%	5.4%	4.1%	3.4%	3.1%	3.5%
Same Store	Sales	-2.1%	-0.8%	2.5%	-0.4%	-2.8%	2.9%	-1.8%	1.8%	2.2%	1.4%	0.7%	0.7%	0.4%
	Traffic	-3.7%	-2.3%	1.8%	-1.5%	-3.3%	1.8%	-2.6%	1.2%	2.1%	2.3%	1.9%	1.9%	0.0%
	ATP	1.7%	1.5%	0.8%	1.2%	0.6%	1.1%	0.9%	0.5%	0.1%	-0.9%	-1.2%	-1.1%	0.4%

New Store Openings	9	9	15	8	5	10	10	7	5	3	5	3	89
Remodels	19	35	34	22	25	31	29	12	18	19	5	1	250
Brand Conversions	3	2	3	2	0	1	0	0	0	4	1	0	16
# of Stores	3,152	3,160	3,172	3,177	3,179	3,187	3,194	3,198	3,200	3,198	3,203	3,200	3,200

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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