October 2019 Skylark Group Monthly IR Report

Nov 14, 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%	-5.6%			2.8%
Same Store	Sales	2.4%	3.3%	3.1%	1.2%	4.2%	1.8%	-4.3%	2.7%	1.5%	-7.5%			0.8%
	Traffic	2.2%	2.4%	0.2%	-1.1%	-0.5%	-3.0%	-8.4%	-2.6%	-4.4%	-11.1%			-2.7%
	ATP	0.2%	0.9%	2.9%	2.3%	4.7%	4.9%	4.5%	5.5%	6.2%	4.0%			3.7%

New Store Openings		10	6	10	7	3	5	4	2	11	9			67
Remodels		12	18	31	18	15	18	19	12	11	10			164
Brand Conversions		4	11	10	13	11	2	8	0	1	1			61
# of Stores	Gusto	1,365	1,366	1,364	1,362	1,352	1,347	1,346	1,345	1,346	1,345			1,345
	Bamiyan	333	332	328	330	332	332	332	332	333	332			332
	Jonathan's	298	296	296	296	296	296	295	294	294	294			294
	Yumean	208	218	228	240	249	252	260	260	262	264			264
	Syabu-Yo	193	189	188	188	188	188	188	188	188	188			188
	Steak Gusto	138	136	136	136	135	135	135	135	135	135			135
	Overseas	58	58	57	57	57	57	57	57	59	59			59
	Other	602	606	612	616	616	617	619	618	618	625			625
	Total	3,195	3,201	3,209	3,225	3,225	3,224	3,232	3,229	3,235	3,242			3,242

*Total number of stores excludes 1 store that are temporarily closed for brand conversions

Highlights

Overview

Total Sales: -5.6%, Same Store Sales: -7.5%

・ In October, the followings had negative impacts on sales
  - Consumer sentiment was constrained by continuous natural disasters such as Typhoon No. 15 (Faxai) and No. 19 (Hagibis), which both caused damages mainly in the Eastern Japan and other regions
  - Consumption tax hike on Oct 1 had negative impact on sales
    However, this impact should gradually be reduced considering the sales trend after the previous consumption tax hike
  - Rugby World Cup had a negative impact particularly on dinner time traffic at weekends

SSS

Traffic: -11.1%, Average Ticket Price: +4.0%

・ Due to the impact of typhoon, traffic had a negative impact of approx. 4% YoY
・ The ban on smoking in all group restaurants from September 1 led to traffic decline to some extent
・ As consumption tax hike measures, Skylark group has been promoting strategic discount coupon distribution and campaigns from the end of September
・ From October 10, Jonathan's started limited-time offering "Seafood Fair" and Yumean started limited-time offering "Autumn Fair"

New Openings

9 new stores were opened in October. Of which 5 were Karayoshi, 1 was Syabu-Yo, 1 was Musashino Mori Coffee and the remaining 2 were other brands

Other

・ Delivery sales increased by approx. 4% YoY and take-out sales increased by approx. 20% YoY, sales stay strong

Highlights



Jonathan's: Limited-time offering
Seafood Fair



Jonathan's: Limited-time offering
Autumn Dessert Fair



Yumean: 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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