

Skylark Co., Ltd.

(Code 3197)

Public Relations Department

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Skylark Group IR Report (October 2014)

101.2 % of consolidated same store sales increase achieved;

Continuous 100% same store sales increase for the last five quarters

FY2014 (Same Store Sales)

(Y/Y%)

Group total	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Total
Sales	102.4%	95.4%	101.8%	105.6%	105.9%	100.0%	100.0%	102.0%	98.7%	101.2%	-	-	101.4%
Customer Traffic	100.8%	93.8%	98.9%	103.5%	102.2%	97.2%	95.7%	97.9%	94.5%	97.2%	-	-	98.2%
Average Check	101.5%	101.7%	103.0%	102.0%	103.6%	102.9%	104.5%	104.2%	104.5%	104.1%	-	-	103.2%
Gusto	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Total
Sales	100.7%	95.3%	99.8%	106.9%	106.2%	100.2%	99.0%	100.7%	98.1%	102.4%	-	-	100.9%
Customer Traffic	99.6%	94.0%	96.9%	104.6%	101.5%	97.1%	94.1%	96.4%	92.6%	97.3%	-	-	97.4%
Average Check	101.1%	101.4%	103.0%	102.1%	104.6%	103.2%	105.3%	104.5%	105.9%	105.2%	-	-	103.7%

FY2013 (Same Store Sales)

(Y/Y%)

Group total	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Total
Sales	97.7%	102.1%	101.5%	94.9%	99.9%	103.1%	99.5%	101.8%	99.5%	100.0%	105.1%	103.6%	100.7%
Customer Traffic	96.3%	100.4%	99.9%	93.9%	98.4%	101.1%	98.5%	100.4%	98.1%	98.2%	104.0%	102.6%	99.3%
Average Check	101.5%	101.7%	101.6%	101.1%	101.6%	102.0%	101.1%	101.4%	101.5%	101.9%	101.1%	101.0%	101.5%
Gusto	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Total
Sales	97.0%	100.3%	101.9%	95.1%	100.4%	104.9%	100.1%	102.7%	99.2%	99.7%	104.1%	103.1%	100.7%
Customer Traffic	95.9%	98.7%	100.0%	93.8%	98.3%	102.7%	98.4%	100.7%	97.3%	98.0%	103.8%	102.6%	99.2%
Average Check	101.2%	101.6%	101.9%	101.4%	102.1%	102.2%	101.7%	102.0%	101.9%	101.7%	100.3%	100.5%	101.6%

(Note1) The data above are preliminary.

(Note2) The data for group total sales are on a domestic consolidated basis, and do not include overseas sales.

(Note3) Same store sales consist of total sales (per day) per restaurant at restaurants that have been in operation for at least 18 months, excluding restaurants which have been newly opened or converted from another concept in the past 18 months. In addition, same store sales are net of consumption tax.

(Note4) Same-store average check per customer is the ratio of total sales (including delivery sales) to total customer traffic.

Highlights

In October, same store sales increase for Skylark was 101.2% vs last year. Strong sales were achieved despite typhoons coming to Japan over the two weekends.

Skylark continues to realize strong sales, achieving positive same store sales increase in ten out of the past twelve months and for five consecutive quarters.

In October, several Skylark brands including Gusto launched "Hiroshima Oyster" which proved to be a favorite dish and attracted a wide range of customers across Japan. The average customer spend has continued to rise due to increased order of side menus, deserts and drink bar.

In addition, Gusto, Skylark's largest brand with 1,350 stores, introduced their "Mobile Application" for smartphone on October 16th. In less than a month, over 700,000 customers have downloaded the application.