

Skylark Co., Ltd.

(Code 3197)

Public Relations Department

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Skylark Group IR Report (December 2014)

Consolidated same store sales grow 1.1% for Dec. and 1.6% for the full year.

FY2014 (Same Store Sales)

(Y/Y%)

Group total	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Total
Sales	2.4%	-4.6%	1.8%	5.6%	5.9%	0.0%	0.0%	2.0%	-1.3%	1.2%	5.0%	1.1%	1.6%
Customer Traffic	0.8%	-6.2%	-1.1%	3.5%	2.2%	-2.8%	-4.3%	-2.1%	-5.5%	-2.8%	0.4%	-4.6%	-1.9%
Average Check	1.5%	1.7%	3.0%	2.0%	3.6%	2.9%	4.5%	4.2%	4.5%	4.1%	4.6%	6.0%	3.6%
Gusto	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Total
Sales	0.7%	-4.7%	-0.2%	6.9%	6.2%	0.2%	-1.0%	0.7%	-1.9%	2.4%	7.7%	3.4%	1.7%
Customer Traffic	-0.4%	-6.0%	-3.1%	4.6%	1.5%	-2.9%	-5.9%	-3.6%	-7.4%	-2.7%	2.2%	-5.0%	-2.5%
Average Check	1.1%	1.4%	3.0%	2.1%	4.6%	3.2%	5.3%	4.5%	5.9%	5.2%	5.4%	8.8%	4.3%

FY2013 (Same Store Sales)

(Y/Y%)

Group total	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Total
Sales	-2.3%	2.1%	1.5%	-5.1%	-0.1%	3.1%	-0.5%	1.8%	-0.5%	0.0%	5.1%	3.6%	0.7%
Customer Traffic	-3.7%	0.4%	-0.1%	-6.1%	-1.6%	1.1%	-1.5%	0.4%	-1.9%	-1.8%	4.0%	2.6%	-0.7%
Average Check	1.5%	1.7%	1.6%	1.1%	1.6%	2.0%	1.1%	1.4%	1.5%	1.9%	1.1%	1.0%	1.5%
Gusto	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Total
Sales	-3.0%	0.3%	1.9%	-4.9%	0.4%	4.9%	0.1%	2.7%	-0.8%	-0.3%	4.1%	3.1%	0.7%
Customer Traffic	-4.1%	-1.3%	0.0%	-6.2%	-1.7%	2.7%	-1.6%	0.7%	-2.7%	-2.0%	3.8%	2.6%	-0.8%
Average Check	1.2%	1.6%	1.9%	1.4%	2.1%	2.2%	1.7%	2.0%	1.9%	1.7%	0.3%	0.5%	1.6%

(Note 1) The data above are preliminary.

(Note 2) The data for group total sales are on a domestic consolidated basis, and do not include overseas sales.

(Note 3) 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.

(Note 4) Same store average check per customer is the ratio of total sales (including delivery sales) to total customer traffic.

Highlights

In December, the same store sales for Skylark increased 1.1% vs last year. The same store sales for the full year ended at an increase of 1.6% vs last year. Skylark achieved positive same store sales in 10 out of the past 12 months and has achieved positive same store sales for 6 consecutive quarters.

Despite a shorter holiday period and poor weather conditions in northern Japan during December, Skylark achieved robust sales driven by popular fair menus. Strong menu innovation and promotion continues to be one of the key differentiators for Skylark.

In December, the average check continued to rise as customers chose to order higher priced items and increased orders of side menu items, desserts and drink bar/beverage options.

Skylark will continue to enhance overall customer satisfaction through its efforts in store remodeling, customer service improvement and menu innovation.