

【 Monthly Status Report for FY 2017 】

Dec. 20th, 2017
Tokyo Stock Exchange
2nd section, 8202

Corporate Planning Section, President's Office

These data are preliminary figures related to Laox's domestic store sales.

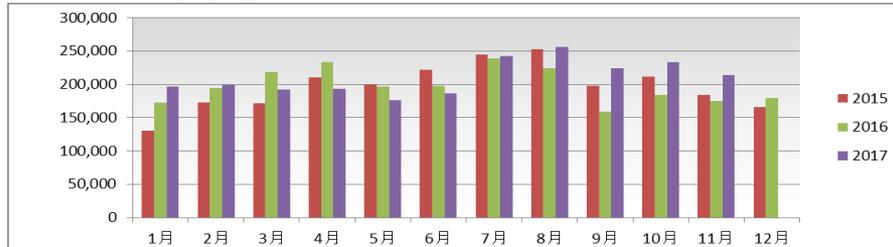
Please be advised that starting from this financial year, we will not publish the average purchase per customer.

※ The number of customers who paid for merchandise at Laox stores. Chiba Port Square's customers are excluded to reflect the inbound market condition only.

Status of the inbound industry

All Laox stores in Japan	Jan~Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Number of paying customers ※	2015	130,141	172,900	172,016	210,073	200,526	221,884	244,341	252,475	197,978	212,066	184,357	166,055
	2016	172,890	194,220	218,365	233,924	196,335	198,007	238,951	223,826	159,488	184,487	175,112	179,692
	YoY growth rate	+ 32.8%	+ 12.3%	+ 26.9%	+ 11.4%	- 2.1%	-10.8%	- 2.2%	- 11.3%	- 19.4%	-13.0%	- 5.0%	+ 8.2%
	2017	197,136	198,983	191,867	193,553	175,756	186,501	242,348	256,426	224,826	233,389	214,177	
	YoY growth rate	+ 14.0%	+ 2.5%	- 12.1%	- 17.3%	- 10.5%	- 5.8%	+ 1.4%	+ 14.6%	+ 41.0%	+ 26.5%	+ 22.3%	

Number of paying customers



Inbound Topics

- 2,388 thousand foreign tourists visited Japan in November, a year-on-year increase of 26.8%, and a record for the month, while the number of Chinese visitors to the country was 567 thousand, a year-on-year increase of 31%. *Data published by Japan National Tourist Organization (JNTO)
- Japan ranked as the most popular nation or area to visit in a recent survey of Chinese consumers' impression of Japanese products and services, for the first time. In the survey, Japanese products were the most popular in the camera/cartoon & animation section and the second most popular in the medicine/cosmetic/food section. *Data published by Japan External Trade Organization (JETRO)

New store openings

45 stores as of the end of Nov. 2017

New openings					
Date	Store name	Store area	Date	Store name	Store area
Mar.6th	Sasebo Store	297.52㎡	Jul.30th	Miyakojima Store	258.00㎡
Apr.2nd	Nagasaki International Cruise Ship Terminal Store	40.00㎡	Aug.8th	Kagoshima Store	1366.00㎡
Apr.5th	Sasebo Cruise Ship Terminal Store	52.50㎡	Aug.18th	Narita International Airport Terminal 2 Store	65.00㎡
Jul.1st	Chiba Port Square Port Town	12,762.00㎡	Oct.25th	Okinawa American Village Store	592.00㎡
Jul.19th	LaRa TOWN Dazaifu Store	3,075.00㎡			
Closed					
Date	Store name	Date	Store name		
Jan.10th	Kushiro Airport Store	Mar.28th	Akihabara Asobit City Store		
Feb.18th	Sasebo Store	May.30th	Marinoa City Fukuoka Store		
Feb.20th	Sapporo Norbesa Store	Aug.27th	Daimaru Kobe Store		

Laox's Measures

- Laox point program membership reached 200,000

Membership of our loyalty points program based on WeChat that started in March in 2017 reached 200,000. It has doubled since July when it hit the 100,000 mark. The aim of the program is to attract new and returning customers by offering helpful tips on WeChat that would encourage them to visit Japan and our stores such as information on tourism, products or changes in tax-free programs.



- Billboards featuring Laox brand logo installed in Keelung port in Taiwan

An increasing number of cruise ships are departing from or arriving in Keelung port in northern Taiwan. On November 1st, we started an advertising campaign in the port by putting billboards featuring our brand logo in the terminal building, at the entrance of the Customs office, and along boarding passages in an attempt to increase our name recognition among tourists before boarding and attract them to our stores.



Supplementary information

The number of paying customers increased by 22.3% from a year earlier, continuing the recent trend of year-over-year growth of more than 10%. According to Japan Cruise Report issued by the government, 214 cruise ships visited Japan in November, 2.06 times more than a year earlier, also continuing the recent growth. In response, we will strengthen our efforts to attract and satisfy cruise ship customers. Meanwhile, we will keep up the ongoing efforts to reach foreign tourists before they leave for Japan, such as Chinese UnionPay sales campaign carried out in collaboration with China Merchants Bank Co., Ltd., a major bank in China, and a promotional campaign through the Taiwanese SNS.