

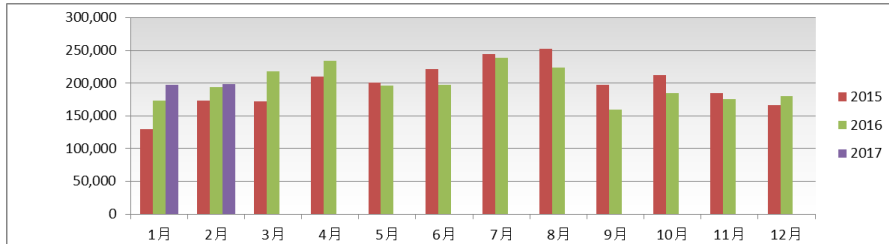
# 【 Monthly Status Report for FY 2017 】

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.

## 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											
	YoY growth rate	+ 14.0%	+ 2.5%											

### ■ Number of paying customers



### ■ Inbound Topics

- 2,036 thousand foreign tourists visited Japan in February, a year-on-year increase of 107.6%, and a record for the month. Among them, the number of Chinese visitors to the country was 509 thousand, a year-on-year increase/decrease of 102.0%. ※Data published by Japan National Tourist Organization (JNTO)
- International conflicts have led to restrictions on Chinese peoples' travel to, and Chinese trade with, South Korea. However, it remains to be seen how the situation will affect Japan. We will pay close attention to what will happen, especially in the cruise ship industry.

### New store openings

42 stores as of the end of Dec. 2016

#### New openings

Date	Store name	Store area	Date	Store name	Store area

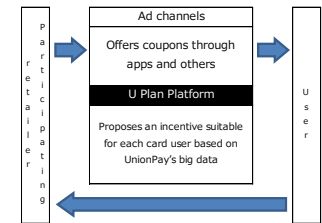
#### Closed

Date	Store name	Date	Store name
Jan.10th	Kushiro Airport Store	Feb.20th	Sapporo Norbesa Store
Feb.18th	Sasebo Store		

### ■ Laox's Measures

- U Plan service started on Feb.16th

We began to offer electronic discount coupons to card holders of UnionPay, said to have issued more than 5 billion cards. Under this scheme, we can start drawing new customers in to our stores even before they leave China through announcements from OTA (online travel agencies) and financial institutions.



- Loyalty points program targeted at foreign tourists visiting Japan began on Feb.20th

We started to send out store and shopping information through Wechat, a mobile app said to have over 600 million users. Using the app, we also introduced our own customer loyalty point system to increase both new and returning customers.



### 補足コメント

February's number of paying customers remained almost unchanged from January and increased, although at a modest 2.5%, from February last year, which received boost from Chinese New Year holidays more fully because of the calendar. In preparation for the cherry blossom season from mid-March, we will launch advertisements and sales campaigns. We closed Sapporo Norbesa Store in an effort to reorganize our retail network in the Sapporo area after opening three stores there last year. After closing Sasebo Store, we relocated and reopened it on Mar. 6th in order to increase sales floor ahead of the coming cruise ship season.