

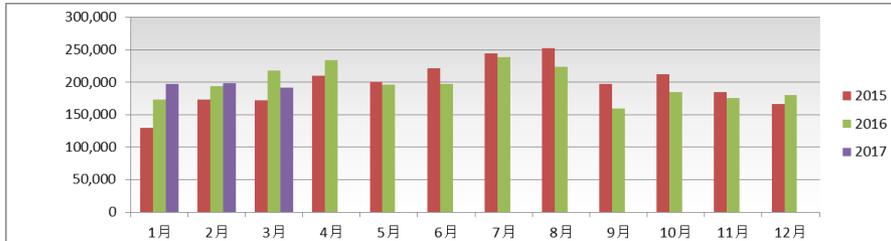
【 Monthly Status Report for FY 2017 】

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	191,867										
	YoY growth rate	+ 14.0%	+ 2.5%	- 12.1%										

Number of paying customers



Inbound Topics

- 2,206 thousand foreign tourists visited Japan in March, a year-on-year increase of 109.8%, and a record for the month, while the number of Chinese visitors to the country was 509 thousand, a year-on-year increase of 102.2%. ※Data published by Japan National Tourist Organization (JNTO)
- The restraints on travel and trade from China to South Korea, placed under geopolitical influences, are still in effect. We will pay close attention to developments and take appropriate measures ahead of the upcoming summer cruise ship season.

New store openings

42 stores as of the end of Dec. 2016

New openings

Date	Store name	Store area	Date	Store name	Store area
Mar.6th	Sasebo Store	297.52㎡			

Closed

Date	Store name	Date	Store name
Jan.10th	Kushiro Airport Store	Feb.20th	Sapporo Norbesa Store
Feb.18th	Sasebo Store	Mar.28th	Akihabara Asobit City Store

Laox's Measures

- March 13th, Partnership with a leading jeweler Chow Tai Fook signed

We formed a business alliance with Chow Tai Fook Jewellery Group Limited (Hong Kong), a world-renown jewelry conglomerate, and will open a Chow Tai Fook Brand store within Laox Shinjuku East-exit Store* in April to offer highly fashionable jewelry to not just foreign tourists but also Japanese customers.

- More than 30,000 participating in our loyalty points program for foreign tourists

As of the end of March, more than 30,000 people had become members of our original customer loyalty points program that started on Feb. 20th. We will further increase the membership to attract foreign tourists, especially FITs, and returning customers.

We send information on excellent goods and experience in Japan in general, not just those offered by Laox. ⇒



補足コメント

The number of paying customers in March was almost the same as in February, with a slight decline. As indicated by the official data of JNTO, Japan National Tourism Organization, the overall numbers of Chinese tourists visiting Japan is almost leveling off. The shift from group tourism to FIT is also continuing. We aim to attract more FITs through a partnership with Ctrip, the largest online travel agency in China, our original loyalty points program, and others. In addition to the existing retail business, we will expand into restaurant and other service industries, catering to the demand for both goods and experience, not just goods as in the past.