

【 Monthly Status Report for FY 2017 】

Jun 21st, 2017
Tokyo Stock Exchange
2nd section, 8202

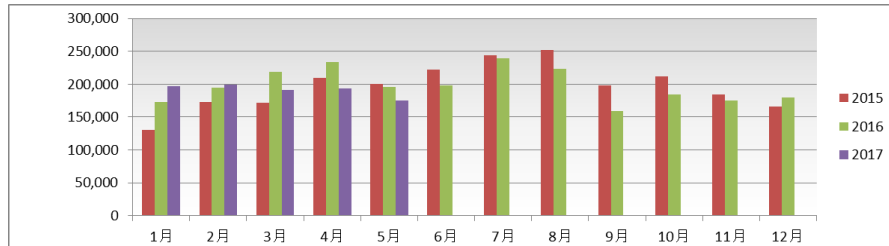
Corporate Planning Section, President's Office

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.

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							
	YoY growth rate	+ 14.0%	+ 2.5%	- 12.1%	-17.3%	-10.5%							

■ Number of paying customers



■ Inbound Topics

- 2,295 thousand foreign tourists visited Japan in April, a year-on-year increase of 121.2%, and a record for the month, while the number of Chinese visitors to the country was 517 thousand, a year-on-year increase of 102.0%. ※Data published by Japan National Tourist Organization (JNTO)
- According to Kyoto City Tourism Association and Kyoto Cultural Convention Bureau, foreigners made up 50.9 percent of the guests at major hotels in Kyoto in April, the highest percentage ever, with Chinese tourists accounting for 14.5%, the second largest share.

■ Laox's Measures

- May 31st : We acquired shares of Aito Kotsu Co., Ltd., a taxi company in Kyoto.

By acquiring shares of Aito Kotsu Co., Ltd., a taxi company in Kyoto, we will be able to make optimal investment in employment and training of drivers and better meet the demand of the inbound market. We will maximize the synergy effect between the two companies with measures such as offering pick-up and drop-off service at our stores in Kyoto, providing multi-lingual passenger service, and using the vehicles as an advertising medium.

- May 30th : We published Japan Shopping Award (JSA) for the 1st quarter 2017.

JSA is our original popular-item ranking calculated using the word-of-mouth data on Weibo (so called Chinese twitter) and Laox's own sales data. We will actively send out information on popular products to Chinese tourists before and in the middle of their travel, especially to FITs, on Ctrip, the largest travel site in China.



New store openings

40 stores as of the end of May, 2017

New openings

Date	Store name	Store area	Date	Store name	Store area
Mar.6th	Sasebo Store	297.52m ²	Apr.5th	Sasebo Cruise Ship Terminal Store	52.50m ²
Apr.2nd	Nagasaki International Cruise Ship Terminal Store	40.00m ²			

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		

補足コメント

With the cherry blossom shopping season over, the number of paying customers in May dropped 9.2% from April. Although the shift from group tourists to FITs is continuing, we will keep up with efforts to attract group tourists ahead of the summer shopping season when many groups will visit Japan. We will also aggressively implement various sales promotion programs in order to boost the number of paying customers. Marinoa City Fukuoka Store was renovated and reopened on May 30th as an outlet of Mode Et Jacomo, our subsidiary that sells women's shoes to Japanese customers.