

September 4, 2014

**Notice Regarding August 2014 Monthly YoY Change
in Sales and Number of Shops**

Watts Co., Ltd. announces YoY change in sales and number of shops for the fiscal year ending August 31, 2014 (September1, 2013 – August 31, 2014) as follows.

(YoY change in sales)

(%)

| | September | October | November | December | January | February | 1 st half total |
|---------------------------------|-----------|---------|----------|----------|---------|----------|----------------------------|
| 100-Yen shops | 108.4 | 105.6 | 108.6 | 106.8 | 107.0 | 105.7 | 107.0 |
| 100-Yen shops wholesale, others | 101.2 | 121.4 | 100.3 | 103.8 | 107.1 | 113.7 | 107.6 |
| Total | 107.5 | 107.5 | 107.6 | 106.4 | 107.0 | 106.6 | 107.1 |
| 100-Yen shops same-stores | 101.3 | 100.1 | 103.1 | 101.7 | 101.2 | 99.3 | 101.2 |

(Number of 100-Yen shops)

(Shops)

| | | | | | | | |
|----------------------------|---------|---------|---------|---------|---------|---------|---------|
| # of shops opened | 20(-) | 11(-) | 14(-) | 9(-) | 4(-) | 12(-) | 70(-) |
| # of shops closed | 7(-) | 5(-) | 3(-) | 2(-) | 6(1) | 7(-) | 30(1) |
| # of shops at end of month | 914(53) | 920(53) | 931(53) | 938(53) | 936(52) | 941(52) | 941(52) |

(YoY change in sales)

(%)

| | March | April | May | June | July | August | 2 nd half total | Full-year |
|---------------------------------|-------|-------|-------|-------|-------|--------|----------------------------|-----------|
| 100-Yen shops | 119.7 | 103.2 | 104.9 | 102.9 | 103.2 | 105.7 | 106.5 | 106.7 |
| 100-Yen shops wholesale, others | 126.0 | 115.9 | 111.6 | 118.8 | 115.7 | 106.0 | 115.6 | 111.6 |
| Total | 120.4 | 104.7 | 105.7 | 104.6 | 104.6 | 105.7 | 107.5 | 107.3 |
| 100-Yen shops same-stores | 112.3 | 97.3 | 99.6 | 97.7 | 98.0 | 100.3 | 100.7 | 100.9 |

(Number of 100-Yen shops)

(Shops)

| | | | | | | | | |
|----------------------------|---------|---------|---------|---------|---------|---------|---------|---------|
| # of shops opened | 12(-) | 11(-) | 11(-) | 5(-) | 11(-) | 3(-) | 53(-) | 123(-) |
| # of shops closed | 7(-) | 5(-) | 4(-) | 3(-) | 5(-) | 11(1) | 35(1) | 65(2) |
| # of shops at end of month | 946(52) | 952(52) | 959(52) | 961(52) | 967(52) | 959(51) | 959(51) | 959(51) |

- (Notes) 1. Sales have not been audited by the independent public accountant. Moreover, preliminary figures may be revised retroactively.
 2. "100-Yen shops same-stores" are shops that are in operation for at least 13 months from the following month of opening.
 3. "Number of 100-Yen shops" is the sum of directly managed shops and franchised shops, and figures in parentheses represent the number of franchised shops, which are included in the total.