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**FY2017 (Year Ended January 20, 2018)
Supplementary Material for Financial Results**

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March 2, 2018

DyDo GROUP HOLDINGS INC.

1. Consolidated Profit and Loss Statements

■Results

Units: millions of yen

	FY2016	FY2017	Year on year		Comment
			Difference (%)	Difference (amount)	
Domestic Beverage Business	128,278	126,712	(1.2%)	(1,565)	
International Beverage Business	16,735	18,547	10.8%	1,811	
Pharmaceutical-Related Business	9,068	10,536	16.2%	1,468	
Food Business	18,013	17,560	(2.5%)	(453)	
Adjustment	(695)	(673)	-	22	
Net sales	171,401	172,684	0.7%	1,283	
Domestic Beverage Business	3,958	5,542	40.0%	1,584	Transition of Expenses of about 1,430 million yen to a holding company
International Beverage Business	(1,266)	(838)	-	428	
Pharmaceutical-Related Business	944	1,271	34.6%	326	
Food Business	212	219	3.3%	7	
Adjustment	9	(1,303)	-	(1,313)	Posting of holding company expenses starting in FY2017
Operating profit	3,857	4,891	26.8%	1,033	
Non-operating income or expenses	(115)	491	-	607	Decrease of non-operating expenses in FY2017
Ordinary profit	3,741	5,382	43.8%	1,640	
Extraordinary income or losses	1,042	(516)	-	(1,559)	Gain of negative goodwill during FY2016 Posting of impairment loss during FY2017
Profit before income taxes	4,784	4,865	1.7%	81	
Income taxes, etc.	1,633	2,373	45.3%	739	
Profit	3,151	2,492	(20.9%)	(658)	
Loss attributable to non-controlling interests	(117)	(11)	-	105	
Profit attributable to owners of parent	3,269	2,504	(23.4%)	(764)	

■Full year forecast

Units: millions of yen

	FY2017	FY2018	Year on year		Comment
	Results	Forecast	Difference (%)	Difference (amount)	
Domestic Beverage Business	126,712	127,070	0.3%	358	
International Beverage Business	18,547	19,410	4.7%	863	
Pharmaceutical-Related Business	10,536	10,500	(0.3%)	(36)	
Food Business	17,560	18,850	7.3%	1,290	
Adjustment	(673)	(610)	-	63	
Net sales	172,684	175,220	1.5%	2,536	
Domestic Beverage Business	5,542	6,700	20.9%	1,158	
International Beverage Business	(838)	(680)	-	158	
Pharmaceutical-Related Business	1,271	1,100	(13.5%)	(171)	
Food Business	219	645	194.5%	426	
Adjustment	(1,303)	(2,025)	-	(722)	
Operating profit	4,891	5,740	17.4%	849	
Ordinary profit	5,382	5,725	6.4%	343	
Profit attributable to owners of parent	2,504	3,640	45.4%	1,136	

2. Consolidated Balance Sheets

Results

Units: millions of yen

	FY2016	FY2017	Vs. FY2016 End of term results		Comment
	End of term results	End of term results	Difference (%)	Difference (amount)	
Cash and deposits	48,113	40,274	(16.3%)	(7,838)	
Notes and accounts receivable -trade	17,955	18,733	4.3%	777	
Securities	12,100	19,402	60.3%	7,302	
Inventories	8,470	8,861	4.6%	391	
Other	4,938	6,154	24.6%	1,215	
Current assets	91,578	93,426	2.0%	1,848	
Tools, furniture and fixtures (net amount)	19,059	17,005	(10.8%)	(2,054)	* 1
Other, (net amount)	17,176	16,509	(3.9%)	(667)	
Property, plant and equipment	36,236	33,514	(7.5%)	(2,721)	
Goodwill	7,188	6,236	(13.3%)	(952)	* 2
Other	7,413	6,584	(11.2%)	(828)	
Intangible assets	14,602	12,820	(12.2%)	(1,781)	
Investment securities	15,440	25,238	63.5%	9,798	* 3
Other	6,013	6,147	2.2%	133	
Investments and other assets	21,454	31,385	46.3%	9,931	
Non-current assets	72,292	77,720	7.5%	5,428	
Total assets	163,870	171,147	4.4%	7,277	

*1: Reflects a reduction in procurement costs per vending machine, lengthening of the vending machine service life, and a reduction of 161 million yen as the result of impairment on loss of vending machine fixed assets held by DyDo DRINCO RUS, LLC (Russia).

*2: Reflects a reduction of 269 million yen as the result of amortization of goodwill by DyDo Mamee Distribution Sdn. Bhd. (Malaysia).

* 3: Due to fluctuations in the market capitalization of TCI Co., Ltd. (the top contract manufacturer of health food and skincare products in Taiwan and a company in which DyDo Group Holdings has invested).

Units: millions of yen

	FY2016	FY2017	Vs. FY2016 End of term results		Comment
	End of term results	End of term results	Difference (%)	Difference (amount)	
Notes and accounts payable - trade	19,908	19,899	(0.0%)	(8)	
Current portion of long-term loans payable	6,935	4,735	(31.7%)	(2,200)	
Accounts payable -other	11,158	11,149	(0.1%)	(9)	
Income taxes payable	776	1,934	149.0%	1,157	
Provision for bonuses	1,112	1,098	(1.2%)	(13)	
Other	4,616	4,494	(2.6%)	(122)	
Current liabilities	44,508	43,311	(2.7%)	(1,196)	
Bonds payable	15,000	15,000	-	-	
Long-term loans payable	10,193	11,611	13.9%	1,417	
Other	8,475	10,296	21.5%	1,821	
Non-current liabilities	33,668	36,908	9.6%	3,239	
Total liabilities	78,176	80,219	2.6%	2,042	
Capital stock	1,924	1,924	-	-	
Capital surplus	1,084	1,031	(4.9%)	(53)	
Retained earnings	80,835	82,346	1.9%	1,510	
Treasury shares	(4)	(552)	-	(548)	
Total shareholders' equity	83,840	84,749	1.1%	909	
Accumulated other comprehensive income	241	4,694	1843.2%	4,452	
Non-Controlling Interests	1,611	1,484	(7.9%)	(127)	
Total net assets	85,693	90,927	6.1%	5,234	
Total liabilities and net asset	163,870	171,147	4.4%	7,277	

3. Details on Sales Increase/Decrease

■Sales results by categories

Units: millions of yen

	FY2016	FY2017	Year on year		Comment
			Difference (%)	Difference (amount)	
Coffee beverages	72,070	71,351	(1.0%)	(718)	
Tea-flavored beverages	17,457	17,668	1.2%	210	
Carbonated beverages	12,094	10,994	(9.1%)	(1,099)	
Mineral water types	6,985	7,379	5.6%	393	
Fruit beverages	6,539	6,955	6.4%	415	
Sports Drinks	2,720	2,418	(11.1%)	(301)	
Drinkable preparations	1,627	1,529	(6.0%)	(98)	
Other beverages	8,783	8,414	(4.2%)	(368)	
Total of Domestic Beverage Business	128,278	126,712	(1.2%)	(1,565)	
Total of International Beverage Business	16,735	18,547	10.8%	1,811	
Total of Pharmaceutical-Related Business	9,068	10,536	16.2%	1,468	
Total of Food Business	18,013	17,560	(2.5%)	(453)	
Adjustment	(695)	(673)	-	22	
Total	171,401	172,684	0.7%	1,283	

■Sales results by channels

Units: millions of yen

	FY2016	FY2017	Year on year		Comment
			Difference (%)	Difference (amount)	
Vending machine channels	107,563	105,403	(2.0%)	(2,159)	
Other	20,715	21,309	2.9%	593	
Total of Domestic Beverage Business	128,278	126,712	(1.2%)	(1,565)	

4. Volume of Sales Results

■Results for volume of sales by categories

Units: thousands of cases

	FY2016	FY2017	Year on year		Comment
			Difference (%)	Difference (amount)	
Coffee beverages	32,776	32,683	(0.3%)	(92)	
Tea-flavored beverages	8,040	8,118	1.0%	77	
Carbonated beverages	5,823	5,239	(10.0%)	(583)	
Mineral water types	3,569	3,758	5.3%	189	
Fruit beverages	3,221	3,382	5.0%	160	
Sports Drinks	1,218	1,062	(12.8%)	(156)	
Drinkable preparations	375	349	(7.0%)	(26)	
Other beverages	2,672	2,286	(14.5%)	(386)	
Total of Domestic Beverage Business	57,698	56,880	(1.4%)	(817)	

■Results for volume of sales by channels

Units: thousands of cases

	FY2016	FY2017	Year on year		Comment
			Difference (%)	Difference (amount)	
Vending machine channels	48,397	47,378	(2.1%)	(1,019)	
Other	9,300	9,502	2.2%	201	
Total of Domestic Beverage Business	57,698	56,880	(1.4%)	(817)	

5. Consolidated Highlights

Units: millions of yen

Fiscal Year	FY2013	FY2014	FY2015	FY2016	FY2017
Net sales	154,828	149,526	149,856	171,401	172,684
Cost of sales	70,553	67,553	68,859	81,947	83,420
Cost of sales ratio (%)	45.6	45.2	46.0	47.8	48.3
Gross profit margin (%)	54.4	54.8	54.0	52.2	51.7
SG&A expenses to net sales (%)	50.6	51.4	50.7	49.9	48.9
Operating profit	6,004	5,174	4,988	3,857	4,891
Operating margin (%)	3.9	3.5	3.3	2.3	2.8
Ordinary profit	5,962	4,470	4,262	3,741	5,382
Ordinary margin (%)	3.9	3.0	2.8	2.2	3.1
Profit attributable to owners of parent	3,712	2,322	2,347	3,269	2,504
Profit margin on net sales (%)	2.4	1.6	1.6	1.9	1.5
Earnings per share (yen)	224.08	140.16	141.68	197.34	151.73
Return on assets(%)	4.2	3.0	2.7	2.3	3.2
Return on equity(%)	4.7	2.8	2.8	3.9	2.9
Cash flow from operating activities	14,764	13,959	14,603	15,309	14,308
Cash flow from investing activities	(16,580)	3,734	(8,090)	(20,560)	(8,947)
Cash flow from financing activities	(469)	(2,561)	12,412	(9,445)	(3,843)
Cash and cash equivalents at end of year	26,874	42,020	60,898	46,120	47,520
Total assets	146,479	147,894	163,697	163,870	171,147
Total asset turnover (times)	1.1	1.0	0.9	1.0	1.0
Net assets	82,554	84,734	85,181	85,693	90,927
Capital adequacy ratio (%)	55.1	56.0	50.8	51.3	52.3
Inventories	6,270	7,323	6,976	8,470	8,861
Inventory turnover (times)	24.1	22.0	21.0	22.2	19.9
Current ratio (%)	191.2	198.6	236.6	205.8	215.7
Fixed ratio (%)	80.5	79.7	74.4	86.0	86.9
Total liabilities	63,925	63,160	78,516	78,176	80,219
Debt ratio (%)	79.2	76.3	94.4	93.0	89.7
Book-value per share (yen)	4,872.53	4,999.88	5,022.16	5,075.31	5,430.20
Total dividends	994	994	994	994	994
Dividend per share (yen)	60	60	60	60	60
Dividend payout ratio(%)	26.8	42.8	42.3	30.4	39.5
Numbers of shares outstanding (thousands)	16,568	16,568	16,568	16,568	16,568
Number of employees(person)	2,770	2,767	2,887	3,602	3,771
Net sales per employee	55.89	54.04	51.91	47.59	45.79
Capital expenditure	14,376	12,261	10,681	10,037	9,454
Depreciation expenses	12,080	12,343	11,704	12,611	11,860

6. Segment Information

■ Domestic Beverage Business*¹

Units: millions of yen

Fiscal Year	FY2013	FY2014	FY2015	FY2016	FY2017* ²
Sales* ³	130,400	124,597	124,192	128,278	126,712
Segment profit	4,578	3,839	3,745	3,958	5,542
Segment profit margin (%)	3.5%	3.1%	3.0%	3.1%	4.4%
Capital expenditure	13,741	11,500	9,788	7,017	6,505
Depreciation expenses	10,961	11,287	10,657	10,643	9,246
ROA(%)	3.5%	2.9%	2.6%	3.6%	10.6%

■ International Beverage Business*¹

Units: millions of yen

Fiscal Year	FY2013	FY2014	FY2015	FY2016	FY2017
Sales* ³	-	-	-	16,735	18,547
Segment profit	-	-	-	(1,266)	(838)
Segment profit margin (%)	-	-	-	-	-
Capital expenditure	-	-	-	1,882	842
Depreciation expenses	-	-	-	907	918
Goodwill amortization value	-	-	-	182	171
ROA(%)	-	-	-	-	-

■ Pharmaceutical-Related Business

Units: millions of yen

Fiscal Year	FY2013	FY2014	FY2015	FY2016	FY2017
Sales* ³	10,857	10,220	9,126	9,068	10,536
Segment profit	1,227	1,135	979	944	1,271
Segment profit margin (%)	11.3%	11.1%	10.7%	10.4%	12.1%
Capital expenditure	337	291	298	423	1,248
Depreciation expenses	530	483	459	430	517
ROA(%)	8.9%	8.3%	7.2%	6.3%	7.5%

■ Food Business

Units: millions of yen

Fiscal Year	FY2013	FY2014	FY2015	FY2016	FY2017
Sales* ³	14,299	15,360	17,155	18,013	17,560
Segment profit	205	198	259	212	219
Segment profit margin (%)	1.4%	1.3%	1.5%	1.2%	1.2%
Capital expenditure	297	470	595	742	465
Depreciation expenses	588	572	587	632	656
Goodwill amortization value	306	306	306	298	298
ROA(%)	1.2%	1.2%	1.5%	1.2%	1.2%

*1: The company changed its reporting segments from FY2017. Division of Beverage Sales Division into "Domestic Beverage Business" and "International Beverage Business". FY2016 results have been revised to reflect the new segment structure, and results for the Domestic Beverage Business since FY2015 include results for Russia and China.

*2: Includes impact of the transition to a holding company structure.

*3: Including Intersegment Sales.

7. Main SG&A Expenses

Units: millions of yen

Fiscal Year	FY2013	FY2014	FY2015	FY2016	FY2017
Shipment expenses	4,607	4,588	4,803	6,572	7,066
Advertising expenses	6,697	5,963	5,096	6,190	5,494
Promotion expenses	23,203	23,126	24,128	26,368	25,917
Salaries and allowances	11,281	11,006	11,143	11,893	12,424
Other	32,480	32,114	30,836	34,570	33,470
Main SG&A Expenses	78,270	76,798	76,008	85,596	84,372