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**FY2018 (Year Ending January 20, 2019)
1st Quarter
Supplementary Material for Financial
Results**

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May 28, 2018

DyDo GROUP HOLDINGS INC.

1. Consolidated Profit and Loss Statements

■ Results

Units: millions of yen

	FY2017	FY2018	Year on year		Comment
	1Q Results	1Q Results	Difference (%)	Difference (amount)	
Domestic Beverage Business	29,698	29,510	(0.6%)	(187)	
International Beverage Business	3,331	3,788	13.7%	457	*1
Pharmaceutical-Related Business	2,408	2,694	11.9%	285	
Food Business	3,697	4,112	11.2%	415	
Adjustment	(195)	(140)	-	54	
Net sales	38,940	39,966	2.6%	1,025	
Domestic Beverage Business	354	970	173.5%	615	*2
International Beverage Business	(366)	(235)	-	131	
Pharmaceutical-Related Business	354	356	0.6%	2	
Food Business	(71)	(75)	-	(4)	
Adjustment	(324)	(291)	-	33	
Operating profit(loss)	(53)	724	-	778	
Non-operating income or expenses	2	(8)	-	(10)	
Ordinary profit(loss)	(50)	716	-	767	
Profit(loss) before income taxes	(50)	716	-	767	
Income taxes	370	647	74.6%	276	
Profit(loss)	(421)	69	-	490	
Loss attributable to non-controlling interests	(17)	(4)	-	13	
Profit(loss) attributable to owners of parent	(403)	73	-	477	

*1 Solid performance in Turkey drove the overall performance of the International Beverage Business□

*2 SG&A expenses mainly composed of fixed costs for vending machines decreased

■ 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

	FY2017	FY2018	Vs. FY2017 End of term results		Comment
	End of term results	1Q Results	Difference (%)	Difference (amount)	
Cash and deposits	40,274	39,099	(2.9%)	(1,175)	
Notes and accounts receivable -trade	18,733	21,622	15.4%	2,889	
Securities	19,402	20,908	7.8%	1,505	
Inventories	8,861	10,305	16.3%	1,443	
Other	6,154	4,852	(21.2%)	(1,301)	
Current assets	93,426	96,788	3.6%	3,362	
Tools, furniture and fixtures, net	17,005	17,038	0.2%	33	
Other, net	16,509	16,098	(2.5%)	(411)	
Property, plant and equipment	33,514	33,136	(1.1%)	(377)	
Goodwill	6,236	5,938	(4.8%)	(297)	
Other	6,584	6,305	(4.2%)	(279)	
Intangible assets	12,820	12,243	(4.5%)	(577)	
Investment securities	25,238	30,050	19.1%	4,812	*
Other	6,147	6,254	1.7%	106	
Investments and other assets	31,385	36,304	15.7%	4,919	
Non-current assets	77,720	81,685	5.1%	3,964	
Total assets	171,147	178,474	4.3%	7,326	

Units: millions of yen

	FY2017	FY2018	Vs. FY2017 End of term results		Comment
	End of term results	1Q Results	Difference (%)	Difference (amount)	
Notes and accounts payable - trade	19,899	22,342	12.3%	2,443	
Short-term loans payable	4,735	5,581	17.9%	846	
Accounts payable -other	11,149	10,249	(8.1%)	(900)	
Income taxes payable	1,934	358	(81.5%)	(1,575)	
Provision for bonuses	1,098	1,823	65.9%	724	
Other	4,494	4,614	2.7%	119	
Current liabilities	43,311	44,969	3.8%	1,657	
Bonds payable	15,000	15,000	-	-	
Long-term loans payable	11,611	14,289	23.1%	2,677	
Other	10,296	11,991	16.5%	1,694	
Non-current liabilities	36,908	41,281	11.8%	4,372	
Total liabilities	80,219	86,250	7.5%	6,030	
Capital stock	1,924	1,924	-	-	
Capital surplus	1,031	1,031	-	-	
Retained earnings	82,346	81,923	(0.5%)	(423)	
Treasury shares	(552)	(552)	-	-	
Total shareholders' equity	84,749	84,326	(0.5%)	(423)	
Accumulated other comprehensive income	4,694	6,522	38.9%	1,828	*
Non-Controlling Interests	1,484	1,375	(7.4%)	(109)	
Total net assets	90,927	92,223	1.4%	1,295	
Total liabilities and net asset	171,147	178,474	4.3%	7,326	

*The main cause of the increases was a fluctuation in total market value by our invested company, TCI Co., Ltd. (the top contract manufacturer of health food and skincare products in Taiwan).

3. Details on Sales Increase/Decrease

■ By categories

Units: millions of yen

	FY2017 1Q Results	FY2018 1Q Results	Year on year		Comment
			Difference (%)	Difference (amount)	
Coffee beverages	18,312	17,546	(4.2%)	(766)	
Tea-flavored beverages	3,908	4,140	5.9%	232	
Carbonated beverages	2,215	2,242	1.3%	27	
Mineral water types	1,341	1,545	15.2%	203	
Fruit beverages	1,387	1,204	(13.2%)	(183)	
Sports Drinks	351	331	(5.7%)	(20)	
Drinkable preparations	322	323	0.2%	0	
Other beverages	1,859	2,176	17.1%	317	
Domestic Beverage Business	29,698	29,510	(0.6%)	(187)	
International Beverage Business	3,331	3,788	13.7%	457	
Pharmaceutical-Related Business	2,408	2,694	11.9%	285	
Food Business	3,697	4,112	11.2%	415	
Adjustment	(195)	(140)	-	54	
Total	38,940	39,966	2.6%	1,025	

■ By sales channels in the Domestic Beverage Business

Units: millions of yen

	FY2017 1Q Results	FY2018 1Q Results	Year on year		Comment
			Difference (%)	Difference (amount)	
Vending machine	24,596	24,547	(0.2%)	(48)	
Other	5,101	4,963	(2.7%)	(138)	
Total	29,698	29,510	(0.6%)	(187)	

4. Volume of Sales Results in the Domestic Beverage Business

■ By categories

Units: thousands of cases

	FY2017 1Q Results	FY2018 1Q Results	Year on year		Comment
			Difference (%)	Difference (amount)	
Coffee beverages	8,346	8,043	(3.6%)	(303)	
Tea-flavored beverages	1,752	1,882	7.4%	130	
Carbonated beverages	1,143	1,102	(3.6%)	(41)	
Mineral water types	702	816	16.2%	113	
Fruit beverages	686	571	(16.7%)	(114)	
Sports Drinks	156	148	(5.2%)	(8)	
Drinkable preparations	73	74	0.4%	0	
Other beverages	448	520	16.2%	72	
Total	13,310	13,159	(1.1%)	(150)	

■ By sales channels

Units: thousands of cases

	FY2017 1Q Results	FY2018 1Q Results	Year on year		Comment
			Difference (%)	Difference (amount)	
Vending machine	10,971	10,963	(0.1%)	(7)	
Other	2,339	2,195	(6.1%)	(143)	
Total	13,310	13,159	(1.1%)	(150)	

5. Main SG&A Expenses (Consolidated/1st Quarter)

Units: millions of yen

	FY2017 1Q Results	FY2018 1Q Results	Year on year		Comment
			Difference (%)	Difference (amount)	
Shipment expenses	1,519	1,679	10.5%	160	
Advertising expenses	1,573	1,325	(15.8%)	(248)	
Promotion expenses	6,051	6,102	0.8%	50	
Salaries and allowances	2,941	3,053	3.8%	112	
Other	8,285	7,707	(7.0%)	(577)	
SG&A Expenses	20,371	19,868	(2.5%)	(502)	

6. 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 period	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	12,080	12,343	11,704	12,611	11,860

7. 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	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	-	-	-	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	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	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.

8. Main SG&A Expenses (Consolidated)

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