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**FY2018 (Year Ending January 20, 2019)
3rd Quarter
Supplementary Material for Financial
Results**

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November 27, 2018

DyDo GROUP HOLDINGS INC.

1. Consolidated Profit and Loss Statements

■Results

Units: millions of yen

	FY2017	FY2018	Year on year		Comment
	3Q Results	3Q Results	Difference (%)	Difference (amount)	
Domestic Beverage Business	97,467	95,536	(2.0%)	(1,931)	
International Beverage Business	14,116	14,001	(0.8%)	(114)	
Pharmaceutical-Related Business	8,091	8,199	1.3%	107	
Food Business	14,793	15,934	7.7%	1,141	
Adjustment	(563)	(441)	-	122	
Net sales	133,904	133,229	(0.5%)	(674)	
Domestic Beverage Business	4,680	6,097	30.3%	1,416	
International Beverage Business	(509)	(362)	-	147	
Pharmaceutical-Related Business	1,052	795	(24.4%)	(256)	
Food Business	506	454	(10.3%)	(52)	
Adjustment	(917)	(986)	-	(69)	
Operating profit	4,812	5,998	24.7%	1,186	
Non-operating income or expenses	461	(246)	-	(708)	Posting of foreign exchange losses in FY2018
Ordinary profit	5,274	5,752	9.1%	478	
Extraordinary losses	-	(40)	-	(40)	
Profit before income taxes	5,274	5,712	8.3%	438	
Income taxes	2,156	2,299	6.6%	142	
Profit	3,117	3,412	9.5%	295	
Loss attributable to non-controlling interests	(20)	(20)	-	0	
Profit attributable to owners of parent	3,138	3,432	9.4%	294	

■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	3Q Results	Difference (%)	Difference (amount)	
Cash and deposits	40,274	38,489	(4.4%)	(1,785)	
Notes and accounts receivable -trade	18,733	22,727	21.3%	3,994	
Securities	19,402	19,400	(0.0%)	(2)	
Inventories	8,861	9,797	10.6%	936	
Other	6,154	5,229	(15.0%)	(925)	
Current assets	93,426	95,645	2.4%	2,218	
Tools, furniture and fixtures, net	17,005	16,535	(2.8%)	(469)	
Other, net	16,509	17,525	6.2%	1,015	
Property, plant and equipment	33,514	34,060	1.6%	546	
Goodwill	6,236	5,241	(16.0%)	(995)	
Other	6,584	5,586	(15.2%)	(997)	
Intangible assets	12,820	10,827	(15.5%)	(1,992)	
Investment securities	25,238	32,293	28.0%	7,055	*
Other	6,147	6,354	3.4%	207	
Investments and other assets	31,385	38,648	23.1%	7,262	
Non-current assets	77,720	83,536	7.5%	5,815	
Total assets	171,147	179,181	4.7%	8,033	

Units: millions of yen

	FY2017	FY2018	Vs. FY2017 End of term results		Comment
	End of term results	3Q Results	Difference (%)	Difference (amount)	
Notes and accounts payable - trade	19,899	24,985	25.6%	5,085	
Short-term loans payable	4,735	6,596	39.3%	1,861	
Accounts payable -other	11,149	10,891	(2.3%)	(258)	
Income taxes payable	1,934	1,050	(45.7%)	(883)	
Provision for bonuses	1,098	1,785	62.5%	686	
Provision for directors' bonuses	-	27	-	27	
Other	4,494	3,573	(20.5%)	(920)	
Current liabilities	43,311	48,909	12.9%	5,598	
Bonds payable	15,000	15,000	-	-	
Long-term loans payable	11,611	10,456	(9.9%)	(1,154)	
Other	10,296	11,833	14.9%	1,536	*
Non-current liabilities	36,908	37,290	1.0%	381	
Total liabilities	80,219	86,199	7.5%	5,980	
Capital stock	1,924	1,924	-	-	
Capital surplus	1,031	1,027	(0.3%)	(3)	
Retained earnings	82,346	84,785	3.0%	2,438	
Treasury shares	(552)	(552)	-	(0)	
Total shareholders' equity	84,749	87,184	2.9%	2,435	
Accumulated other comprehensive income	4,694	4,687	(0.2%)	(7)	*
Non-Controlling Interests	1,484	1,110	(25.2%)	(374)	
Total net assets	90,927	92,981	2.3%	2,053	
Total liabilities and net asset	171,147	179,181	4.7%	8,033	

*The main cause of the increases in investment securities, deferred tax assets liability, and valuation difference on available-for-sale securities 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

■Sales results by categories

Units: millions of yen

	FY2017	FY2018	Year on year		Comment
	3Q results	3Q Results	Difference (%)	Difference (amount)	
Coffee beverages	53,825	50,148	(6.8%)	(3,676)	
Tea-flavored beverages	13,277	13,698	3.2%	421	
Carbonated beverages	9,683	9,224	(4.7%)	(459)	
Mineral water types	6,257	6,950	11.1%	693	
Fruit beverages	5,531	4,313	(22.0%)	(1,218)	
Sports Drinks	2,153	2,389	11.0%	236	
Drinkable preparations	1,219	1,144	(6.2%)	(75)	
Other beverages	5,518	7,665	38.9%	2,146	
Domestic Beverage Business	97,467	95,536	(2.0%)	(1,931)	
International Beverage Business	14,116	14,001	(0.8%)	(114)	
Pharmaceutical-Related Business	8,091	8,199	1.3%	107	
Food Business	14,793	15,934	7.7%	1,141	
Adjustment	(563)	(441)	-	122	
Total	133,904	133,229	(0.5%)	(674)	

■Sales results by channels

Units: millions of yen

	FY2017	FY2018	Year on year		Comment
	3Q Results	3Q Results	Difference (%)	Difference (amount)	
Vending machine	81,018	79,423	(2.0%)	(1,594)	
Other	16,449	16,112	(2.0%)	(336)	
Total	97,467	95,536	(2.0%)	(1,931)	

4. Volume of Sales Results in the Domestic Beverage Business

■By categories

Units: 1000s of cases

	FY2017	FY2018	Year on year		Comment
	3Q Results	3Q Results	Difference (%)	Difference (amount)	
Coffee beverages	24,635	22,995	(6.7%)	(1,639)	
Tea-flavored beverages	6,074	6,269	3.2%	194	
Carbonated beverages	4,717	4,318	(8.5%)	(399)	
Mineral water types	3,228	3,595	11.4%	366	
Fruit beverages	2,704	2,062	(23.8%)	(642)	
Sports Drinks	969	1,098	13.3%	128	
Drinkable preparations	280	262	(6.5%)	(18)	
Other beverages	1,379	2,029	47.1%	649	
Total	43,992	42,632	(3.1%)	(1,359)	

■By sales channels

Units: 1000s of cases

	FY2017	FY2018	Year on year		Comment
	3Q Results	3Q Results	Difference (%)	Difference (amount)	
Vending machine channels	36,621	35,639	(2.7%)	(981)	
Other	7,371	6,992	(5.1%)	(378)	
Total	43,992	42,632	(3.1%)	(1,359)	

5. Main SG&A Expenses (Consolidated/3rd Quarter)

Units: millions of yen

	FY2017	FY2018	Year on year		Comment
	3Q Results	3Q Results	Difference (%)	Difference (amount)	
Shipment expenses	5,432	5,669	4.4%	236	
Advertising expenses	4,363	4,427	1.5%	64	
Promotion expenses	19,772	20,062	1.5%	290	
Salaries and allowances	9,393	9,353	(0.4%)	(39)	
Other	25,469	23,041	(9.5%)	(2,428)	
SG&A Expenses	64,432	62,555	(2.9%)	(1,876)	

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