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**FY2018 (Year Ended January 20, 2019)
Supplementary Material for Financial
Results**

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March 4, 2019

DyDo GROUP HOLDINGS INC.

1. Consolidated Profit and Loss Statements

■Results

Units: millions of yen

	FY2017	FY2018	Year on year		Comment
			Difference (%)	Difference (amount)	
Domestic Beverage Business	126,712	124,879	(1.4%)	(1,833)	
International Beverage Business	18,547	17,154	(7.5%)	(1,392)	
Pharmaceutical-Related Business	10,536	10,964	4.1%	427	
Food Business	17,560	19,114	8.8%	1,554	
Adjustment	(673)	(559)	-	114	
Net sales	172,684	171,553	(0.7%)	(1,130)	
Domestic Beverage Business	5,542	7,106	28.2%	1,564	
International Beverage Business	(838)	(704)	-	133	
Pharmaceutical-Related Business	1,271	847	(33.3%)	(423)	
Food Business	219	235	7.6%	16	
Adjustment	(1,303)	(1,413)	-	(110)	
Operating profit	4,891	6,071	24.1%	1,180	
Non-operating income or expenses	491	(72)	-	(564)	
Ordinary profit	5,382	5,998	11.5%	616	
Extraordinary loss (income)	(516)	562	-	1,078	*
Profit before income taxes	4,865	6,560	34.8%	1,694	
Income taxes	2,373	2,671	12.6%	298	
Profit	2,492	3,889	56.0%	1,396	
Profit (loss) attributable to non-controlling interests	(11)	32	-	44	
Profit attributable to owners of parent	2,504	3,856	54.0%	1,352	

* During FY2017, the International Beverage Business posted an impairment loss of 431 million yen.

* During FY2018, we posted 2,231 million yen in gain on the sale of investment securities and 1,431 million yen in loss on the sale of shares in affiliates.

■Full year forecast

Units: millions of yen

	FY2018	FY2019	Year on year		Comment
	Results	Forecast	Difference (%)	Difference (amount)	
Domestic Beverage Business	124,879	122,350	(2.0%)	(2,529)	
International Beverage Business	17,154	16,800	(2.1%)	(354)	
Pharmaceutical-Related Business	10,964	11,550	5.3%	585	
Food Business	19,114	19,850	3.8%	735	
Adjustment	(559)	(550)	-	9	
Net sales	171,553	170,000	(0.9%)	(1,553)	
Domestic Beverage Business	7,106	4,945	(30.4%)	(2,161)	
International Beverage Business	(704)	(347)	-	357	
Pharmaceutical-Related Business	847	636	(25.0%)	(211)	
Food Business	235	366	55.3%	130	
Adjustment	(1,413)	(2,200)	-	(786)	
Operating profit	6,071	3,400	(44.0%)	(2,671)	
Ordinary profit	5,998	3,700	(38.3%)	(2,298)	
Profit attributable to owners of parent	3,856	2,400	(37.8%)	(1,456)	

2. Consolidated Balance Sheets

■Results

Units: millions of yen

	FY2017	FY2018	Vs. FY2017 End of term results		Comment
	End of term results	End of term results	Difference (%)	Difference (amount)	
Cash and deposits	40,274	35,466	(11.9%)	(4,808)	
Notes and accounts receivable -trade	18,733	19,804	5.7%	1,071	
Securities	19,402	20,900	7.7%	1,497	
Inventories	8,861	8,782	(0.9%)	(79)	
Other	6,154	5,584	(9.3%)	(569)	
Current assets	93,426	90,538	(3.1%)	(2,888)	
Machinery, equipment and vehicles, net	3,634	3,097	(14.8%)	(536)	
Tools, furniture and fixtures, net	17,005	16,082	(5.4%)	(922)	
Construction in progress	312	3,169	912.7%	2,856	* 1
Other	12,561	11,868	(5.5%)	(693)	
Property, plant and equipment	33,514	34,218	2.1%	704	
Goodwill	6,236	5,260	(15.6%)	(975)	
Other	6,584	5,713	(13.2%)	(870)	
Intangible assets	12,820	10,974	(14.4%)	(1,846)	
Investment securities	25,238	30,823	22.1%	5,585	* 2
Other	6,147	5,673	(7.7%)	(473)	
Investments and other assets	31,385	36,497	16.3%	5,111	
Non-current assets	77,720	81,690	5.1%	3,969	
Total assets	171,147	172,228	0.6%	1,080	

* 1 The increase in the construction in progress account is principally attributable to capital investments including the construction of a new plant by DAIDO Pharmaceutical.

* 2 The main cause of the increases in investment securities was a fluctuation in market value by our invested company, TCI Co., Ltd.

Units: millions of yen

	FY2017	FY2018	Vs. FY2017 End of term results		Comment
	End of term results	End of term results	Difference (%)	Difference (amount)	
Notes and accounts payable - trade	19,899	19,716	(0.9%)	(183)	
Current portion of long-term loans payable	4,735	6,520	37.7%	1,785	
Accounts payable -other	11,149	9,509	(14.7%)	(1,639)	
Income taxes payable	1,934	1,149	(40.6%)	(784)	
Provision for bonuses	1,098	1,098	(0.1%)	(0)	
Other	4,494	4,225	(6.0%)	(268)	
Current liabilities	43,311	42,220	(2.5%)	(1,090)	
Bonds payable	15,000	15,000	-	-	
Long-term loans payable	11,611	9,267	(20.2%)	(2,343)	
Other	10,296	11,799	14.6%	1,502	
Non-current liabilities	36,908	36,067	(2.3%)	(840)	
Total liabilities	80,219	78,288	(2.4%)	(1,931)	
Capital stock	1,924	1,924	-	-	
Capital surplus	1,031	1,027	(0.4%)	(3)	
Retained earnings	82,346	85,212	3.5%	2,865	
Treasury shares	(552)	(553)	-	(0)	
Total shareholders' equity	84,749	87,611	3.4%	2,861	
Accumulated other comprehensive income	4,694	5,099	8.6%	405	
Non-Controlling Interests	1,484	1,229	(17.2%)	(254)	
Total net assets	90,927	93,940	3.3%	3,012	
Total liabilities and net asset	171,147	172,228	0.6%	1,080	

3. Details on Sales Increase/Decrease

■Sales results by categories

Units: millions of yen

	FY2017	FY2018	Year on year		Comment
			Difference (%)	Difference (amount)	
Coffee beverages	71,351	66,723	(6.5%)	(4,628)	
Tea-flavored beverages	17,668	18,075	2.3%	406	
Carbonated beverages	10,994	10,794	(1.8%)	(199)	
Mineral water types	7,379	8,369	13.4%	990	
Fruit beverages	6,955	5,459	(21.5%)	(1,496)	
Sports Drinks	2,418	2,640	9.2%	221	
Drinkable preparations	1,529	1,468	(4.0%)	(61)	
Other beverages	8,414	11,347	34.9%	2,932	
Domestic Beverage Business	126,712	124,879	(1.4%)	(1,833)	
International Beverage Business	18,547	17,154	(7.5%)	(1,392)	
Pharmaceutical-Related Business	10,536	10,964	4.1%	427	
Food Business	17,560	19,114	8.8%	1,554	
Adjustment	(673)	(559)	-	114	
Total	172,684	171,553	(0.7%)	(1,130)	

■Sales results by channels

Units: millions of yen

	FY2017	FY2018	Year on year		Comment
			Difference (%)	Difference (amount)	
Vending machine	105,403	103,511	(1.8%)	(1,891)	
Other	21,309	21,367	0.3%	57	
Total	126,712	124,879	(1.4%)	(1,833)	

4. Volume of Sales Results in the Domestic Beverage Business

■By categories

Units: 1000s of cases

	FY2017	FY2018	Year on year		Comment
			Difference (%)	Difference (amount)	
Coffee beverages	32,683	30,544	(6.5%)	(2,139)	
Tea-flavored beverages	8,118	8,321	2.5%	203	
Carbonated beverages	5,239	4,969	(5.2%)	(269)	
Mineral water types	3,758	4,277	13.8%	519	
Fruit beverages	3,382	2,608	(22.9%)	(773)	
Sports Drinks	1,062	1,184	11.5%	122	
Drinkable preparations	349	334	(4.2%)	(14)	
Other beverages	2,286	3,134	37.1%	848	
Total	56,880	55,376	(2.6%)	(1,503)	

■By sales channels

Units: 1000s of cases

	FY2017	FY2018	Year on year		Comment
			Difference (%)	Difference (amount)	
Vending machine channels	47,378	46,119	(2.7%)	(1,258)	
Other	9,502	9,257	(2.6%)	(245)	
Total	56,880	55,376	(2.6%)	(1,503)	

5. Consolidated Highlights

Units: millions of yen

Fiscal Year	FY2014	FY2015	FY2016	FY2017	FY2018
Net sales	149,526	149,856	171,401	172,684	171,553
Cost of sales	67,553	68,859	81,947	83,420	83,026
Cost of sales ratio (%)	45.2	46.0	47.8	48.3	48.4
Gross profit margin (%)	54.8	54.0	52.2	51.7	51.6
SG&A expenses to net sales (%)	51.4	50.7	49.9	48.9	48.1
Operating profit	5,174	4,988	3,857	4,891	6,071
Operating margin (%)	3.5	3.3	2.3	2.8	3.5
Ordinary profit	4,470	4,262	3,741	5,382	5,998
Ordinary margin (%)	3.0	2.8	2.2	3.1	3.5
Profit attributable to owners of parent	2,322	2,347	3,269	2,504	3,856
Profit margin on net sales (%)	1.6	1.6	1.9	1.5	2.2
Earnings per share (yen)	140.16	141.68	197.34	151.73	234.15
Return on assets(%)	3.0	2.7	2.3	3.2	3.5
Return on equity(%)	2.8	2.8	3.9	2.9	4.2
Cash flow from operating activities	13,959	14,603	15,309	14,308	10,851
Cash flow from investing activities	3,734	(8,090)	(20,560)	(8,947)	(16,876)
Cash flow from financing activities	(2,561)	12,412	(9,445)	(3,843)	(2,618)
Cash and cash equivalents at end of year	42,020	60,898	46,120	47,520	38,413
Total assets	147,894	163,697	163,870	171,147	172,228
Total asset turnover (times)	1.0	0.9	1.0	1.0	1.0
Net assets	84,734	85,181	85,693	90,927	93,940
Capital adequacy ratio (%)	56.0	50.8	51.3	52.3	53.8
Inventories	7,323	6,976	8,470	8,861	8,782
Inventory turnover (times)	22.0	21.0	22.2	19.9	19.4
Current ratio (%)	198.6	236.6	205.8	215.7	214.4
Fixed ratio (%)	79.7	74.4	86.0	86.9	88.1
Total liabilities	63,160	78,516	78,176	80,219	78,288
Debt ratio (%)	76.3	94.4	93.0	89.7	84.4
Book-value per share (yen)	4,999.88	5,022.16	5,075.31	5,430.20	5,628.56
Total dividends	994	994	994	994	994
Dividend per share (yen)	60	60	60	60	60
Dividend payout ratio(%)	42.8	42.3	30.4	39.5	25.6
Numbers of shares outstanding (thousands)	16,568	16,568	16,568	16,568	16,568
Number of employees(person)	2,767	2,887	3,602	3,771	3,912
Net sales per employee	54.04	51.91	47.59	45.79	43.85
Capital expenditure	12,261	10,681	10,037	9,454	12,635
Depreciation expenses	12,343	11,704	12,611	11,860	10,396

6. Segment Information

■ Domestic Beverage Business*¹

Units: millions of yen

Fiscal Year	FY2014	FY2015	FY2016	FY2017* ²	FY2018
Sales* ³	124,597	124,192	128,278	126,712	124,879
Segment profit	3,839	3,745	3,958	5,542	7,106
Segment profit margin (%)	3.1%	3.0%	3.1%	4.4%	5.7%
Capital expenditure	11,500	9,788	7,017	6,505	6,712
Depreciation	11,287	10,657	10,643	9,246	8,062
ROA (%)	3.0%	2.7%	3.1%	10.3%	13.8%

■ International Beverage Business*¹

Units: millions of yen

Fiscal Year	FY2014	FY2015	FY2016	FY2017	FY2018
Sales* ³	-	-	16,735	18,547	17,154
Segment profit	-	-	(1,266)	(838)	(704)
Segment profit margin (%)	-	-	-	-	-
Capital expenditure	-	-	1,882	842	539
Depreciation	-	-	907	918	675
Goodwill amortization value	-	-	182	171	114
ROA (%)	-	-	-	-	-

■ Pharmaceutical-Related Business

Units: millions of yen

Fiscal Year	FY2014	FY2015	FY2016	FY2017	FY2018
Sales* ³	10,220	9,126	9,068	10,536	10,964
Segment profit	1,135	979	944	1,271	847
Segment profit margin (%)	11.1%	10.7%	10.4%	12.1%	7.7%
Capital expenditure	291	298	423	1,248	3,953
Depreciation	483	459	430	517	624
ROA (%)	8.3%	7.2%	6.6%	8.0%	4.9%

■ Food Business

Units: millions of yen

Fiscal Year	FY2014	FY2015	FY2016	FY2017	FY2018
Sales* ³	15,360	17,155	18,013	17,560	19,114
Segment profit	198	259	212	219	235
Segment profit margin (%)	1.3%	1.5%	1.2%	1.2%	1.2%
Capital expenditure	470	595	742	465	941
Depreciation	572	587	632	656	683
Goodwill amortization value	306	306	298	298	298
ROA (%)	2.3%	1.5%	1.2%	1.2%	1.3%

*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 (Consolidated)

Units: millions of yen

Fiscal Year	FY2014	FY2015	FY2016	FY2017	FY2018
Shipment expenses	4,588	4,803	6,572	7,066	7,208
Advertising expenses	5,963	5,096	6,190	5,494	5,685
Promotion expenses	23,126	24,128	26,368	25,917	26,254
Salaries and allowances	11,006	11,143	11,893	12,424	12,446
Other	32,114	30,836	34,570	33,470	30,859
Main SG&A Expenses	76,798	76,008	85,596	84,372	82,455