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**FY2019 (Year Ending January 20, 2020)
1st Quarter
Supplementary Material for Financial
Results**

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May 27, 2019

DyDo GROUP HOLDINGS INC.

1. Consolidated Statement of Income

■Results

Units: millions of yen

	FY2018	FY2019	Year on year		Comment
	1Q Results	1Q Results	Difference (%)	Difference (amount)	
Domestic Beverage Business	29,510	29,143	(1.2%)	(367)	
International Beverage Business	3,788	3,402	(10.2%)	(386)	
Pharmaceutical-Related Business	2,694	2,887	7.2%	193	
Food Business	4,112	4,398	7.0%	286	
Adjustment	(140)	(199)	-	(59)	
Net sales	39,966	39,633	(0.8%)	(333)	
Domestic Beverage Business	970	(74)	-	(1,045)	
International Beverage Business	(235)	1	-	236	
Pharmaceutical-Related Business	356	230	(35.4%)	(126)	
Food Business	(75)	66	-	142	
Adjustment	(291)	(336)	-	(45)	
Operating profit (loss)	724	(113)	-	(837)	
Non-operating expenses (income)	(8)	(36)	-	(28)	
Ordinary profit (loss)	716	(149)	-	(865)	
Extraordinary income	-	57	-	57	
Profit (loss) before income taxes	716	(92)	-	(808)	
Income taxes	647	213	(67.1%)	(434)	
Profit (loss)	69	(305)	-	(374)	
Profit (loss) attributable to non-controlling interests	(4)	16	-	21	
Profit (loss) attributable to owners of parent	73	(322)	-	(395)	

■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 Sheet*1

■Results

Units: millions of yen

	FY2018	FY2019	Vs. FY2018 End of term results		Comment
	End of term results	1Q Results	Difference (%)	Difference (amount)	
Cash and deposits	35,466	33,852	(4.5%)	(1,613)	
Notes and accounts receivable - trade	19,804	22,488	13.6%	2,683	
Securities	20,900	22,300	6.7%	1,400	
Inventories	8,782	10,962	24.8%	2,180	
Other	4,898	5,903	20.5%	1,004	
Current assets	89,852	95,507	6.3%	5,655	
Machinery, equipment and vehicles, net	3,097	2,996	(3.3%)	(101)	
Tools, furniture and fixtures, net	16,082	16,393	1.9%	310	
Construction in progress	3,169	5,310	67.5%	2,140	*2
Other	11,868	12,806	7.9%	937	
Property, plant and equipment	34,218	37,506	9.6%	3,287	
Goodwill	5,260	5,107	(2.9%)	(153)	
Other	5,713	5,635	(1.4%)	(78)	
Intangible assets	10,974	10,743	(2.1%)	(231)	
Investment securities	30,823	31,143	1.0%	319	
Other	5,763	5,958	3.4%	194	
Investments and other assets	36,587	37,101	1.4%	513	
Non-current assets	81,780	85,350	4.4%	3,570	
Total assets	171,632	180,858	5.4%	9,225	

Units: millions of yen

	FY2018	FY2019	Vs. FY2018 End of term results		Comment
	End of term results	1Q Results	Difference (%)	Difference (amount)	
Notes and accounts payable - trade	19,716	22,775	15.5%	3,058	
Current portion of long-term loans payable	6,520	7,626	17.0%	1,106	
Accounts payable -other	9,509	11,960	25.8%	2,450	
Income taxes payable	1,149	254	(77.9%)	(895)	
Provision for bonuses	1,098	1,804	64.4%	706	
Other	4,180	4,498	7.6%	317	
Current liabilities	42,175	48,919	16.0%	6,743	
Bonds payable	15,000	15,000	-	-	
Long-term loans payable	9,267	11,697	26.2%	2,430	
Other	11,249	12,137	7.9%	887	
Non-current liabilities	35,517	38,834	9.3%	3,317	
Total liabilities	77,692	87,754	13.0%	10,061	
Capital stock	1,924	1,924	-	-	
Capital surplus	1,027	1,027	-	-	
Retained earnings	85,212	84,353	(1.0%)	(859)	
Treasury shares	(553)	(551)	-	1	
Total shareholders' equity	87,611	86,753	(1.0%)	(857)	
Accumulated other comprehensive income	5,099	5,142	0.8%	42	
Non-controlling interests	1,229	1,207	(1.7%)	(21)	
Total net assets	93,940	93,104	(0.9%)	(836)	
Total liabilities and net assets	171,632	180,858	5.4%	9,225	

*1 Changes in accounting practices, including Partial Amendments to Accounting Standard for Tax Effect Accounting (ASBJ Statement No. 28, February 16, 2018), have been applied starting with the beginning of the first quarterly consolidated accounting period of FY2019. The changes have also been applied retroactively to figures for FY2018 end-of-year performance in the above table.

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

3. Details on Sales Increase/Decrease

■Sales results by categories

Units: millions of yen

	FY2018	FY2019	Year on year		Comment
	1Q Results	1Q Results	Difference (%)	Difference (amount)	
Coffee beverages	17,546	16,197	(7.7%)	(1,349)	
Tea-flavored beverages	4,140	4,367	5.5%	227	
Carbonated beverages	2,242	2,536	13.1%	293	
Mineral water types	1,545	1,458	(5.7%)	(87)	
Fruit beverages	1,204	1,257	4.4%	53	
Sports Drinks	331	264	(20.0%)	(66)	
Drinkable preparations	323	296	(8.1%)	(26)	
Other beverages	2,176	2,764	27.0%	587	
Domestic Beverage Business	29,510	29,143	(1.2%)	(367)	
International Beverage Business	3,788	3,402	(10.2%)	(386)	
Pharmaceutical-Related Business	2,694	2,887	7.2%	193	
Food Business	4,112	4,398	7.0%	286	
Adjustment	(140)	(199)	-	(59)	
Total	39,966	39,633	(0.8%)	(333)	

■Sales results by channels*

Units: millions of yen

	FY2018	FY2019	Year on year		Comment
	1Q Results	1Q Results	Difference (%)	Difference (amount)	
Vending machine	24,528	23,583	(3.9%)	(945)	
Other	4,982	5,560	11.6%	578	
Total	29,510	29,143	(1.2%)	(367)	

*Sales to overseas affiliates (cancelled by means of internal transactions in consolidated accounts) were transferred to "Other" in FY2019. This classification has been applied retroactively to FY2018 figures.

4. Volume of Sales Results in the Domestic Beverage Business

■By categories

Units: 1000s of cases

	FY2018	FY2019	Year on year		Comment
	1Q Results	1Q Results	Difference (%)	Difference (amount)	
Coffee beverages	8,043	7,326	(8.9%)	(716)	
Tea-flavored beverages	1,882	2,026	7.7%	144	
Carbonated beverages	1,102	1,277	15.8%	174	
Mineral water types	816	747	(8.5%)	(69)	
Fruit beverages	571	613	7.2%	41	
Sports Drinks	148	119	(19.3%)	(28)	
Drinkable preparations	74	67	(8.7%)	(6)	
Other beverages	520	635	22.0%	114	
Total	13,159	12,813	(2.6%)	(345)	

■By sales channels

Units: 1000s of cases

	FY2018	FY2019	Year on year		Comment
	1Q Results	1Q Results	Difference (%)	Difference (amount)	
Vending machine	10,963	10,476	(4.4%)	(487)	
Other	2,195	2,337	6.5%	141	
Total	13,159	12,813	(2.6%)	(345)	

5. Main SG&A Expenses

Units: millions of yen

	FY2018	FY2019	Year on year		Comment
	1Q Results	1Q Results	Difference (%)	Difference (amount)	
Shipment expenses	1,679	1,687	0.5%	8	
Advertising expenses	1,325	1,564	18.0%	238	
Promotion expenses	6,102	6,622	8.5%	519	
Salaries and allowances	3,053	3,104	1.7%	51	
Other	7,707	7,774	0.9%	67	
SG&A expenses	19,868	20,754	4.5%	885	

6. 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 flows from operating activities	13,959	14,603	15,309	14,308	10,851
Cash flows from investing activities	3,734	(8,090)	(20,560)	(8,947)	(16,876)
Cash flows 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	171,632
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	54.0
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	213.0
Non-current ratio (%)	79.7	74.4	86.0	86.9	88.2
Total liabilities	63,160	78,516	78,176	80,219	77,692
Debt ratio (%)	76.3	94.4	93.0	89.7	83.8
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
Number 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	12,343	11,704	12,611	11,860	10,396

* Changes in accounting practices, including Partial Amendments to Accounting Standard for Tax Effect Accounting (ASBJ Statement No. 28, February 16, 2018), have been applied starting with the beginning of the first quarterly consolidated accounting period of FY2019. The changes have also been applied retroactively to figures for FY2018 end-of-year performance in the above table.

7. 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
Amortization of goodwill	-	-	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
Amortization of goodwill	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.

8. Main SG&A Expenses (Consolidated:Changes by Year)

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