FY2014
Supplementary Material for Financial Results

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DyDo DRINCO, Incorporated

February 27, 2015

1. Consolidated Income Statements

■Results

Units: millions of yen

	FY2013 results	FY2014 results	Year on year Difference (%)	Year on year Difference (amount)	Comment
Beverage Sales Division	130,400	124,597	(4.4%)	(5,802)	
OEM Beverage Production Division	10,857	10,220	(5.9%)	(636)	
Food Production and Sales Division	14,299	15,360	7.4%	1,060	
Adjustment figure (company-wide / elimination)	(728)	(651)	-	77	
Net sales	**154,828**	**149,526**	**(3.4%)**	**(5,301)**	
Beverage Sales Division	4,578	3,839	(16.2%)	(739)	
OEM Beverage Production Division	1,227	1,135	(7.5%)	(91)	
Food Production and Sales Division	205	198	(3.2%)	(6)	
Adjustment figure (company-wide / elimination)	(6)	0	-	7	
Operating income	**6,004**	**5,174**	**(13.8%)**	**(829)**	
Non-operating income or expenses	(41)	(703)	-	(662)	
Ordinary income	**5,962**	**4,470**	**(25.0%)**	**(1,492)**	
Extraordinary income or expenses	-	-	-	-	
Income before taxes	**5,962**	**4,470**	**(25.0%)**	**(1,492)**	
Income taxes, etc.	2,096	2,027	(3.3%)	(68)	
Minority interests	154	120	(21.8%)	(33)	
Net income	**3,712**	**2,322**	**(37.5%)**	**(1,390)**	

■Full year forecast

Units: millions of yen

	FY2014 Results	FY2015 Forecast	Year on year Difference (%)	Year on year Difference (amount)	Comment
Beverage Sales Division	124,597	125,500	0.7%	902	
OEM Beverage Production Division	10,220	10,100	(1.2%)	(120)	
Food Production and Sales Division	15,360	16,100	4.8%	739	
Adjustment figure (company-wide / elimination)	(651)	(700)	-	(48)	
Net sales	**149,526**	**151,000**	**1.0%**	**1,474**	
Beverage Sales Division	3,839	3,300	(14.0%)	(539)	
OEM Beverage Production Division	1,135	1,000	(12.0%)	(135)	
Food Production and Sales Division	198	200	0.7%	1	
Adjustment figure (company-wide / elimination)	0	-	-	-	
Operating income	**5,174**	**4,500**	**(13.0%)**	**(674)**	
Ordinary income	**4,470**	**4,400**	**(1.6%)**	**(70)**	
Net income	**2,322**	**2,700**	**16.3%**	**378**	

2. Consolidated Balance Sheets

■Results

Units: millions of yen

	FY2013 End of term results	FY2014 End of term results	Year on year Difference (%)	Year on year Difference (amount)	Comment
Cash and cash equivalent	33,498	47,800	42.7%	14,302	
Notes receivable and accounts receivable	14,474	13,707	(5.3%)	(766)	
Securities	24,425	10,316	(57.8%)	(14,108)	
Inventories	6,270	7,323	16.8%	1,053	
Other	2,835	2,758	(2.7%)	(77)	
Current assets	81,503	81,907	0.5%	403	
Tools, equipment and machinery (net amount)	17,426	20,171	15.8%	2,744	
Lease assets	7,368	5,044	(31.5%)	(2,323)	Shift to own-company purchasing of vending machines
Other (net amount)	9,667	9,440	(2.3%)	(226)	
Tangible fixed assets	34,461	34,655	0.6%	193	
Intangible fixed assets	11,709	11,072	(5.4%)	(636)	
Investment securities	12,563	14,589	16.1%	2,025	
Other	6,241	5,668	(9.2%)	(572)	
Investments and other assets	18,805	20,257	7.7%	1,452	
Fixed assets	64,976	65,986	1.6%	1,010	
Assets total	146,479	147,894	1.0%	1,414	

	FY2013 End of term results	FY2014 End of term results	Year on year Difference (%)	Year on year Difference (amount)	Comment
Notes payable and accounts payable	16,514	16,286	(1.4%)	(227)	
Short term loans	4,693	6,434	37.1%	1,740	
Short term lease obligations	4,124	2,438	(40.9%)	(1,686)	
Accounts payable	11,298	11,052	(2.2%)	(246)	
Accrued income taxes	1,826	1,237	(32.3%)	(589)	
Accrued expenses	2,012	1,901	(5.5%)	(110)	
Accrued bonuses	1,032	1,013	(1.8%)	(19)	
Other	1,120	877	(21.7%)	(243)	
Current liabilities	42,623	41,240	(3.2%)	(1,382)	
Long term loans	12,820	14,076	9.8%	1,255	
Long term lease obligations	3,115	2,550	(18.1%)	(565)	
Other	5,365	5,292	(1.4%)	(73)	
Fixed liabilities	21,302	21,919	2.9%	617	
Liabilities total	63,925	63,160	(1.2%)	(765)	
Capital stock	1,924	1,924	0.0%	-	
Capital surplus	1,464	1,464	0.0%	-	
Retained earnings	76,472	77,800	1.7%	1,328	
Treasury stock	(4)	(4)	-	-	
Shareholders equity total	79,856	81,184	1.7%	1,328	
Total other comprehensive income	866	1,647	90.3%	781	
Minority interests	1,831	1,901	3.8%	70	
Net assets total	82,554	84,734	2.6%	2,180	
Liabilities / net assets total	146,479	147,894	1.0%	1,414	

3. Details on Sales Increase/Decrease

■Sales results by sectors

Units: millions of yen

	FY2013 results	FY2014 results	Year on year Difference (%)	Year on year Difference (amount)	Comment
Coffee beverages	72,772	70,958	(2.5%)	(1,814)	
Tea-flavored beverages	19,071	16,386	(14.1%)	(2,685)	
Carbonated beverages	9,737	11,630	19.4%	1,893	
Fruit beverages	11,363	7,161	(37.0%)	(4,202)	
Mineral water types	3,514	4,894	39.3%	1,379	
Functional beverages	3,384	2,596	(23.3%)	(787)	
Drinkable preparations	2,046	1,788	(12.6%)	(257)	
Other beverages	8,508	9,180	7.9%	672	
Total of Beverage Sales Division	**130,400**	**124,597**	**(4.4%)**	**(5,802)**	
Total of OEM Beverage Production Division	**10,154**	**9,603**	**(5.4%)**	**(550)**	
Total of Food Production and Sales Division	**14,273**	**15,325**	**7.4%**	**1,051**	
Total	**154,828**	**149,526**	**(3.4%)**	**(5,301)**	

■Sales results by channels

Units: millions of yen

	FY2013 results	FY2014 results	Year on year Difference (%)	Year on year Difference (amount)	Comment
Vending machine channels	111,431	105,952	(4.9%)	(5,479)	
Other	18,968	18,644	(1.7%)	(323)	
Total of Beverage Sales Division	**130,400**	**124,597**	**(4.4%)**	**(5,802)**	

4. Volume of Sales Results

■Results for volume of sales by sectors

Units: 1000s of cases

	FY2013 results	FY2014 results	Year on year Difference (%)	Year on year Difference (amount)	Comment
Coffee beverages	32,649	31,663	(3.0%)	(986)	
Tea-flavored beverages	9,313	7,664	(17.7%)	(1,649)	
Carbonated beverages	5,052	5,744	13.7%	691	
Fruit beverages	5,647	3,577	(36.7%)	(2,070)	
Mineral water types	1,847	2,553	38.2%	705	
Functional beverages	1,573	1,181	(24.9%)	(391)	
Drinkable preparations	491	425	(13.4%)	(65)	
Other beverages	3,242	3,368	3.9%	125	
DyDo DRINCO (non-consolidated) total	**59,817**	**56,177**	**(6.1%)**	**(3,639)**	

■Results for volume of sales by channels

Units: 1000s of cases

	FY2013 results	FY2014 results	Year on year Difference (%)	Year on year Difference (amount)	Comment
Vending machine channels	51,045	47,545	(6.9%)	(3,500)	
Other	8,771	8,632	(1.6%)	(138)	
DyDo DRINCO (non-consolidated) total	**59,817**	**56,177**	**(6.1%)**	**(3,639)**	

5. Consolidated Highlights

Units: millions of yen

Fiscal Year	FY2010	FY2011	FY2012	FY2013	FY2014
Net sales	151,369	147,404	148,902	154,828	149,526
Cost of sales	68,927	67,284	67,976	70,553	67,553
Cost of sales ratio (%)	45.5	45.6	45.7	45.6	45.2
Gross profit margin (%)	54.5	54.4	54.3	54.4	54.8
SG&A expenses to net sales (%)	50.2	49.5	49.0	50.6	51.4
Operating income	6,539	7,295	7,934	6,004	5,174
Operating margin (%)	4.3	4.9	5.3	3.9	3.5
Ordinary income	5,809	6,687	7,725	5,962	4,470
Ordinary margin (%)	3.8	4.5	5.2	3.9	3.0
Net income	2,691	2,351	4,410	3,712	2,322
Profit margin on net sales (%)	1.8	1.6	3.0	2.4	1.6
Earnings per share (yen)	162.45	141.91	266.22	224.08	140.16
Cash flow from operating activities	14,911	17,540	16,491	14,764	13,959
Cash flow from investing activities	(3,252)	(8,274)	(6,704)	(16,580)	3,734
Cash flow from financing activities	(11,964)	(11,016)	(219)	(469)	(2,561)
Cash and cash equivalent at end of year	21,174	19,424	29,051	26,874	42,020
Total assets	125,497	128,550	140,487	146,479	147,894
Total asset turnover (times)	1.2	1.1	1.1	1.1	1.0
Net assets	73,049	74,788	79,097	82,554	84,734
Capital adequacy ratio (%)	57.0	56.9	55.1	55.1	56.0
Inventories	6,321	5,768	6,601	6,270	7,323
Inventory turnover (times)	24.2	24.4	24.1	24.1	22.0
Current ratio (%)	178.2	184.3	165.2	191.2	198.6
Fixed ratio (%)	79.5	74.2	90.1	80.5	79.7
Total liabilities	52,448	53,762	61,390	63,925	63,160
Debt ratio (%)	73.3	73.5	79.3	79.2	76.3
Net assets per share (yen)	4,321.26	4,416.66	4,670.18	4,872.53	4,999.88
Total dividends	828	828	994	994	994
Dividend per share (yen)	50	50	60	60	60
Dividend payout ratio	30.8	35.2	22.5	26.8	42.8
Numbers of shares outstanding (thousands)	16,568	16,568	16,568	16,568	16,568
Number of employees	3,149	2,936	2,916	2,770	2,767
Net sales per employee	48.06	50.20	51.06	55.89	54.04
Depreciation expenses	12,747	12,350	11,202	12,080	12,343
Capital expenditure	1,481	6,839	16,833	14,376	12,261

6. Segment Information

■Beverage Sales Division

Units: millions of yen

Fiscal Year	FY2010	FY2011	FY2012	FY2013	FY2014
Sales to external customers	142,287	137,897	131,671	130,400	124,597
Segment profit	4,726	5,930	6,363	4,578	3,839
Segment profit margin (%)	3.3%	4.3%	4.8%	3.5%	3.1%
Capital expenditure	-	-	-	13,741	11,500
Depreciation expenses	12,240	11,683	10,275	10,961	11,287

■OEM Beverage Production Division

Units: millions of yen

Fiscal Year	FY2010	FY2011	FY2012	FY2013	FY2014
Sales to external customers	9,082	9,507	10,612	10,154	9,603
Segment profit	1,813	1,359	1,558	1,227	1,135
Segment profit margin (%)	20.0%	14.3%	14.7%	12.1%	11.8%
Capital expenditure	-	-	-	337	291
Depreciation expenses	507	667	640	530	483

■Food Production and Sales Division

Units: millions of yen

Fiscal Year	FY2010	FY2011	FY2012	FY2013	FY2014
Sales to external customers	-	-	6,617	14,273	15,325
Segment profit	-	-	3	205	198
Segment profit margin (%)	-	-	0.0%	1.4%	1.3%
Capital expenditure	-	-	-	297	470
Depreciation expenses	-	-	287	588	572
Goodwill amortization value	-	-	153	306	306

*The segment breakdown for "Capital expenditure" is disclosed from FY2013

7. Main Sales Expenses and Ordinary Management Costs (Consolidated)

Units: millions of yen

Fiscal Year	FY2010	FY2011	FY2012	FY2013	FY2014
Shipping costs	4,123	3,940	4,213	4,607	4,588
Advertising costs	3,978	4,159	6,167	6,697	5,963
Sales promotion costs	19,965	20,103	21,101	23,203	23,126
Salary and other allowances	12,804	11,861	11,526	11,281	11,006
Other	35,030	32,759	29,982	32,480	32,114
Main Sales Expenses and Ordinary Management Costs	75,903	72,824	72,990	78,270	76,798