こころとからだに、
おいしいものを。

DyDo

Offering delicious products
for the sound mind and body

January 21, 2017

Company: DyDo Group Holdings, Inc.
Representative: Tomiya Takamatsu, President
(Code 2590 on the First Section of the Tokyo Stock Exchange)
Inquiries: Naokazu Hasegawa, Corporate Officer
and General Manager of Corporate Communication Department

Notice of New DyDo Group Structure

Group completes transition to a holding company structure and takes up the challenge of creating new corporate value for the next generation

On January 21, 2017, the DyDo Group completed its transition to a holding company structure and changed its name to DyDo Group Holdings, Inc.

In addition, the Group transferred its domestic beverage business to DyDo DRINCO, Inc., a wholly owned subsidiary that operated as DyDo DRINCO Split Preparation Co., Ltd., until January 21, 2017.

We will continue taking up the challenge of creating corporate value for the next generation by positioning this transition to a holding company structure as the first step toward rapid growth in the future.

1. Purpose of transition to holding company structure

(1) Strengthening group management

By transitioning to a holding company structure, we will strengthen group governance, and clarify the responsibility and authority of each business. As indicators of business management at each operating company, we will establish ROA and ROIC as indicators of investment efficiency in addition to our previous indicators of net sales and operating income ratio, clarify capital efficiency of each operating company, and expand indicators linked to the front lines of business. In this way, we will strive to improve profitability and efficiency of the group as a whole.

(2) Agile response to expansion of business domains

In order to respond to major changes in the business environment, and realize sustained improvements in profit growth and capital efficiency as a group, we will step up to the challenge of continually increasing cash flow through our core domestic beverage business, and in addition, we feel another key issue will be acquiring new business domains with high profitability and growth potential, such as the healthcare sector, by effectively utilizing the retained profits we have built up. We will put in place a system to enable agile response to M&A strategies, and pro-actively take up new challenges.

(3) Strengthening and nurturing international beverage business

In response to the increasing importance of the international beverage business in our group management, we will establish an International Business Management Department within the holding company, and work to develop business and risk management systems for overseas beverage operating companies. To strengthen and nurture international beverage businesses through synergy with our domestic beverage business, we have decided, for the time being, to adopt a system where the holding company directly supervises international beverage businesses, and we will not establish an international beverage management company as initially planned.

2. Overview of companies involved in split

Name	DyDo Group Holdings, Inc.	DyDo DRINCO, Inc.
Address	2-2-7 Nakanoshima, Kita-ku, Osaka-shi, Osaka Prefecture	2-2-7 Nakanoshima, Kita-ku, Osaka-shi, Osaka Prefecture
Representative	Tomiya Takamatsu President and Representative Director	Tomiya Takamatsu President and Representative Director
Businesses	Group strategic planning and management of Group companies	Manufacture and sale of softdrinks
Capital	¥1,924 million	¥350 million
Established	January 27, 1975	February 24, 2016
Accounting term	January 20	January 20
Website	http://www.dydo-ghd.co.jp/	http://www.dydo.co.jp/

3. Group structure after split

DyDo Group Holdings, Inc.

Domestic Beverage Business	International Beverage Business	Pharmaceutical-Related Business	Food Business
DyDo DRINCO, Inc.	(China)Shanghai DyDo DRINCO, Inc.	DAIDO Pharmaceutical Corporation	Tarami Corporation
DyDo Beverage Service, Inc.	(Russia)DyDo DRINCO RUS,LLC		Shunnotoki Inc.
DyDo Business Service, Inc.	(Malaysia)DyDo Mamee Distribution Sdn. Bhd.		
DyDo Beverage Shizuoka, Inc.	(Turkey)Della Gıda Sanayi ve Ticaret A.Ş.		
DyDo DRINCO Service Kanto, Inc.	(Turkey)Bahar Su Sanayi ve Ticaret A.Ş.		
DyDo West Vending, Inc.	(Turkey)İlk Mevsim Meyve Suları Pazarlama A.Ş.		
	(Turkey)DyDo DRINCO TURKEY İçecek Satış ve Pazarlama A.Ş.		