August 25, 2017

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(Code 2590 on the First Section of the Tokyo Stock Exchange)
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Monthly Sales Report, August FY2017
(From July 21, 2017 To August 20, 2017)

The following is monthly sales of Domestic Beverage Business (preliminary figures based on logistics package, compared to previous year).

	Feb.	Mar.	Apr.	Q1	May	Jun.	Jul.	Q2
Bussiness days								
Number of bussiness days	21	20	23	64	21	22	22	65
Year-to-year change	−1	±0	±0	−1	+2	+1	±0	+3
Volume of Sales (Percentage change from previous year)								
Coffee beverages	103.5%	107.7%	98.2%	102.8%	101.0%	104.3%	96.4%	100.5%
Tea-flavored beverages	112.7%	113.8%	101.0%	108.5%	102.4%	102.5%	107.7%	104.3%
Carbonated beverages	89.7%	91.1%	93.1%	91.8%	92.5%	90.3%	100.6%	94.5%
Mineral water types	94.8%	114.2%	109.0%	106.8%	109.5%	116.8%	121.2%	116.3%
Fruit beverages	86.8%	106.0%	104.2%	99.5%	108.6%	109.2%	111.7%	109.9%
Sports drinks	91.7%	82.1%	86.2%	86.1%	91.9%	95.9%	101.9%	97.5%
Drinkable preparations	93.0%	94.9%	94.5%	94.2%	92.5%	99.2%	96.3%	96.1%
Other beverages	74.3%	79.3%	72.1%	75.0%	78.6%	84.6%	81.8%	81.7%
Total beverages	100.5%	105.5%	97.8%	100.9%	100.1%	102.2%	101.2%	101.2%

	Aug.	Sep.	Oct.	Q3	Nov.	Dec.	Jan.	Q4	Cumulative performance for this term
Bussiness days									
Number of bussiness days	19								148
Year-to-year change	−2								±0
Volume of Sales (Percentage change from previous year)									
Coffee beverages	88.8%								99.9%
Tea-flavored beverages	91.9%								103.6%
Carbonated beverages	83.3%								91.6%
Mineral water types	99.4%								109.9%
Fruit beverages	96.3%								103.7%
Sports drinks	85.4%								91.6%
Drinkable preparations	87.6%								93.9%
Other beverages	70.7%								77.1%
Total beverages	89.3%								99.2%

Preliminary figures based on the latest data.
Where there is discrepancy between the preliminary and actual figures, corrections will be reflected the following monthly report.

Topics:

◆ Management & IR

August 16 (Wed)	Amendment to Consolidated Financial Results Forecasts for the 1st Half of FY2017
August 28 (Mon) (Scheduled)	Announcement financial results for FY2017 2nd quarter

◆ Products, Vending Machines, International Business and CSR

Products

"Extra Rich Tea Latte with Jasmine"
Featuring 20% more tea leaves* for an even richer fragrance

On Monday, August 21, DyDo DRINCO launched "Extra Rich Tea Latte with Jasmine", a beverage featuring the flowery fragrance and rich flavor of jasmine.

To make the product, we created a rich blend of premium jasmine tea leaves and black tea leaves that were picked at the peak of their fragrance and flavor. Then we added milk and cream from Hokkaido to produce a flowery, deep taste. The drink contains about 20% more tea leaves than the previous product to give it an even richer, more premium fragrance.

Going forward, we will continue to offer high-quality products to deliver "distinctively DyDo" taste and wellness to customers in accordance with our group slogan of "Offering delicious products for the sound mind and body."

*Increase in total tea leaf content relative to previous product



▲ "Extra Rich Tea Latte with Jasmine"
430 mL PET bottle/¥150 (excluding tax)

Vending Machines

DyDo DRINCO collaborates with SNK Corporation to develop a fighting game for smartphones
"The King of Fighters D for DyDO Smile STAND" to work with Smile STAND vending machines; available this autumn

This autumn, DyDo DRINCO will release an original fighting game that lets players build their own characters entitled "The King of Fighters D for DyDo Smile STAND". The game will support our Smile STAND service, which connects customers and vending machines via smartphones.

We developed the game based on "The King of Fighters", a popular fighting game made by SNK Corporation. Our version features familiar characters from that game vying to win a national championship as they visit locations around Japan. In addition to letting players use DyDo DRINCO beverages to create characters according to their preferences, the game includes original features like the ability to enter in a "vending machine lottery" to win items and new characters using Smile STAND points that customers have earned.



▲ Screen from "The King of Fighters D for DyDo Smile STAND"

To commemorate the development of this game app, we launched a preregistration promotion through the DyDo Smile STAND app starting on Thursday, August 10. Everyone who registers as a user of the app will receive in-game coins, items, and other prizes.

DyDo launches "Smile Town Portal" to bring exciting information from vending machines to customers' smartphones
First installment to feature information about gourmet restaurants and beauty salons located close to vending machines

On Monday, September 4, DyDo DRINCO will launch "Smile Town Portal", a service that brings information from Smile STAND-compatible vending machines to customers' smartphones.

The service will deliver information about businesses located close to Smile STAND-compatible vending machines from which customers purchase products via the DyDo Smile STAND smartphone app*. As the first installment, we're working with Recruit Lifestyle Co., Ltd., to bring information about restaurants and beauty salons featured on that company's "Hot Pepper Gourmet" and "Hot Pepper Beauty" information websites to customers' smartphones.



The service will allow customers to obtain information about the area where they live and new places to visit that they had to investigate for themselves in the past. In this way, our vending machines will evolve into bases for communicating exciting, close-to-home information, and customers will be able to experience a new and unprecedented way to interact with vending machines.

Going forward, we will continue to strive to create new value that can be provided by vending machines in a way that goes beyond just purchasing beverages.

*To receive information, customers must enable Bluetooth and location functionality on their smartphone.

*The next "Notice of Sales Situation as of September FY2017" is scheduled to be released on Monday, September 25.