November 27, 2017

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# Monthly Sales Report, November FY2017
(From October 21 to November 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 | 23 | 22 | 64 | 21 | | | 21 | 214 |
| Year-to-year change | −2 | +1 | ±0 | −1 | ±0 | | | ±0 | +1 |
| Volume of Sales (Percentage change from previous year) | | | | | | | | | |
| Coffee beverages | 88.8% | 111.5% | 99.6% | 99.8% | 94.6% | | | 94.6% | 100.3% |
| Tea-flavored beverages | 91.9% | 110.3% | 112.0% | 103.6% | 82.2% | | | 82.2% | 102.5% |
| Carbonated beverages | 83.3% | 93.1% | 91.0% | 87.9% | 75.5% | | | 75.5% | 90.9% |
| Mineral water types | 99.4% | 102.2% | 100.3% | 100.5% | 90.7% | | | 90.7% | 106.8% |
| Fruit beverages | 96.3% | 118.4% | 110.4% | 107.5% | 96.5% | | | 96.5% | 105.4% |
| Sports drinks | 85.4% | 82.7% | 77.1% | 83.1% | 65.6% | | | 65.6% | 88.2% |
| Drinkable preparations | 87.6% | 98.4% | 94.7% | 93.3% | 88.1% | | | 88.1% | 94.0% |
| Other beverages | 70.7% | 89.3% | 91.3% | 85.7% | 88.8% | | | 88.8% | 82.1% |
| Total beverages | 89.3% | 107.1% | 100.2% | 98.4% | 90.8% | | | 90.8% | 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:

◆ Products, Vending Machines, International Business and CSR

## Products

### "DyDo Blend Demitasse Premium" series
### DyDo celebrates the 25th anniversary of the product launch as cumulative sales surpass 6.2 billion cans!

This November, the "DyDo Blend Demitasse Premium" series marked 25 years since the launch of the brand. During that time, the series has earned a loyal base of customers with cumulative sales of more than 6.2 billion cans.

Although 190 g cans were the norm at the time of the product's launch, we created a beverage whose small size belied its premium flavor by using a smaller, 160 g container (for the first time in the can coffee market[*1]) and about 1.5[*2] times more carefully chosen beans than standard coffee. Thanks to a companywide effort to meet unprecedented challenges, customers gradually came to recognize the value of the brand, whose products today enjoy overwhelming dominance with the highest sales[*3] of any coffee beverage sold in small containers[*4] in Japan.

This August, we launched "DyDo Blend Demitasse Premium" Slightly Sweetened with 40% Less Sugar, a new product featuring a rich, slightly sweet flavor, in an effort to offer new value to customers.

Going forward, we will continue to provide rich, premium flavor using carefully chosen coffee beans and uncompromising blending technology.




*1 At the time of product launch; compiled by DyDo Group
*2 Compared with the lower limit defined by coffee standards (which require minimum coffee bean content equivalent to 5 g of unprocessed beans per 100 g of drink); except Black.
*3 Intage SRI: Market for cans and bottle-cans at 180mL or less; Cumulative sales for "Demitasse Premium" series from March 2014 to December 2016
*4 Coffee sold in a can or bottle with volume of 180 mL or less.

### "KOKU Grand Time Shake-and-Drink Sweet Shortcake"
### Limited launch in vending machines at JR East train stations

On Tuesday, November 28, DyDo DRINCO will launch "KOKU Grand Time Shake-and-Drink Sweet Shortcake," a new type of dessert beverage that recreates the flavor of shortcake, on a limited basis in vending machines at JR East train stations.

The product, which is made using Amaou strawberries grown in Fukuoka Prefecture and fresh cream from Hokkaido, offers a premium flavor that can best be described as "the kind of sweetness that appeals to adults." In addition, the product's consistency changes depending on how many times the container is shaken, allowing people to adjust the product to suit their own preferences.

Going forward, we will continue to offer high-quality products with added surprise 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."



▲ "KOKU Grand Time Shake-and-Drink Sweet Shortcake" 165 g/¥160 (excluding tax)

## Vending Machines

### DyDo DRINCO launches "The King of Fighters D: DyDo Smile STAND" service
### Character-based fighting game for smartphones works with Smile STAND-compatible vending machines

On Friday, October 20, DyDo DRINCO launched an original fighting game that lets players build their own characters entitled "The King of Fighters D: DyDo Smile STAND." The game app was developed in collaboration with SNK Corporation.

The app, which is available for iPhone and Android devices, is based on "The King of Fighters," a popular fighting game sold by SNK. It features familiar characters from the SNK title along with a scenario mode that lets players travel Japan defeating bosses while raising their own character as they wish using DyDo DRINCO beverages, which are available as in-game items.

Players can also use Smile STAND Points earned at Smile STAND-compatible vending machines to participate in a "vending machine lottery" whose prizes include various items and new characters. In this way, the app's original design lets players have even more fun as they purchase the products they love from DyDo DRINCO vending machines.

Going forward, we plan to enhance gameplay and pursue various initiatives to strengthen operation with Smile STAND-compatible vending machines.




▲ Smile STAND-compatible vending machines

*The next "Notice of Sales Situation as of December FY2017" is scheduled to be released on Decmber 25 (Mon), 2017.