April 25, 2017

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<u>Monthly Sales Report, April FY2017</u> (From March 21, 2017 To April 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				
Year-to-year change	-1	$\pm 0$	$\pm 0$	-1				
Volume of Sales (Percentage change from previous year)								
Coffee beverages	103.5%	107.7%	98.2%	102.8%				
Tea-flavored beverages	112.7%	113.8%	101.0%	108.5%				
Carbonated beverages	89.7%	91.1%	93.1%	91.8%				
Mineral water types	94.8%	114.2%	109.0%	106.8%				
Fruit beverages	86.8%	106.0%	104.2%	99.5%				
Sports drinks	91.7%	82.1%	86.2%	86.1%				
Drinkable preparations	93.0%	94.9%	94.5%	94.2%				
Other beverages	74.3%	79.3%	72.1%	75.0%				
Total beverages	100.5%	105.5%	97.8%	100.9%				

	Aug.	Sep.	Oct.	Q3	Nov.	Dec.	Jan.	Q4	Cumulative performance for this term
Bussiness days									
Number of bussiness days									64
Year-to-year change									-1
Volume of Sales (Percent	age chang	ge from pr	evious yea	ar)					
Coffee beverages									102.8%
Tea-flavored beverages									108.5%
Carbonated beverages									91.8%
Mineral water types									106.8%
Fruit beverages									99.5%
Sports drinks									86.1%
Drinkable preparations									94.2%
Other beverages									75.0%
Total beverages									100.9%

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

April 14 (Fri)	Convocation of the 42nd annual general meeting of shareholders					
	Please see related materials at: https://www.dydo-ghd.co.jp/en/ir/data/general_meeting					
	Notice of approval of continuation of measures to respond to large-scale acquisition of our company's stock					
	(takeover defense measures) and appointment of members of the Inependent Committee					
	Submission of corporate governance report					
April 17	FY2017 Beginning of payment of end of term dividends					
	Submission of annual securities report for the 42nd fiscal year (ended January 2017)					
	Submission of internal controls report (Japanese only)					
	Submission of extraordinary report (Japanese only)					

Products, Vending Machines, Overseas Business and CSR

### Products

Chinese Tea "Saracha (Food for Specified Health Use)" for customers who have issues with their blood pressure

On Monday, March 27, DyDo DRINCO introduced "Saracha (Food for Specified Health Use)," a beverage that makes it easy for customers to address high blood pressure by drinking one bottle a day.

The product is made with 100% Rafuma tea leaves, a species that is indigenous to the Yellow River basin in China and that has been used to brew healthy tea since ancient times. The drink's yanlong-cha flavonoids, which are contained in Rafuma tea leaves, serve as a functional ingredient that has been shown to have an effect on blood pressure in tests of individuals who have issues with their blood pressure. The product takes advantage of Rafuma tea's distinctive, aromatic flavor to deliver a refreshing and enjoyable taste without excessive astringency.



Authorized labeling: The product contains yanlong-cha flavonoids (as hyperoside and isoquercitrin) and is suited for use by individuals who have issues with their blood pressure. Daily intake: One bottle (500 mL) per day

Daily intake: One bottle (500 mL) per day Precautionary information: The product is not intended to be used to treat any medical condition. If you are currently being treated for high blood pressure, consult your physician before use. Eat a balanced diet based on a staple food, a main dish, and side dishes. **A** "Saracha (Food for Specified Health Use) 500 mL PET bottle/¥160 (excluding tax)

### CSR

#### Introducing DyDo Blend LINE Stamps

DyDo launches "Bold DyDo Employee Stamps" complimentary gift promotion on April 3

On Monday, April 3, DyDo DRINCO launched the "Bold DyDo Employee Stamps" complimentary gift promotion, the first such campaign for its DyDo Blend line of products.

The promotion invites consumers to download a total of eight free LINE stamps featuring DyDo employees who appear in television commercials for DyDo Blend "UMAMI Blend" and "Supervised by the World's Top Barista\*" products.

Its goal is to provide an opportunity for more customers to experience the DyDo Blend brand.





▲ "Bold DyDo Employee Stamps'

#### Vending Machines

# Introducing "Everybody Wins" content for Smile STAND DyDo launches CLUB DYDO\*1 service

On Saturday, April 1, DyDo DRINCO launched new content for Smile STAND, a service that connects customers to vending machines via their smartphones, in the form of CLUB DYDO. Customers can earn one point for every yen they spend at Smile STAND-compatible vending

machines by downloading the service's dedicated app and swiping their phone in front of a reader on the vending machine. This enhancement to CLUB DYDO service lets customers redeem those points\*2 for a total of 10 gifts, including a tote bag, a portable battery, and a radio-controlled helicopter.

Going forward, we will expand the range of content in the Smile STAND app and enhance associated services as part of our ongoing effort to transform vending machines into a more exciting and familiar part of our customers' lifestyles.



▲Using the CLUB DYDO

\*1 This point card-based promotion works with vending machines that are equipped with a point card reader, which DyDo began introducing 20 years ago this year.
\*2 Use of this service to earn and redeem points requires registration as a DyDo Smile STAND member.

\*The next "Notice of Sales Situation as of May FY2016" is scheduled to be released on May 25 (Thu), 2017.