

決算説明資料

Financial Results Briefing Materials

2017年3月期1Q
オイシックス株式会社

First Three Months of the Fiscal Year
Ending March 31, 2017
Oisix Inc.

Corporate Philosophy

A rich variety of food for the maximum number of people

Oisix Inc. adheres to a corporate philosophy that calls for us to provide services so as many ordinary households as possible can easily achieve a rich diet.

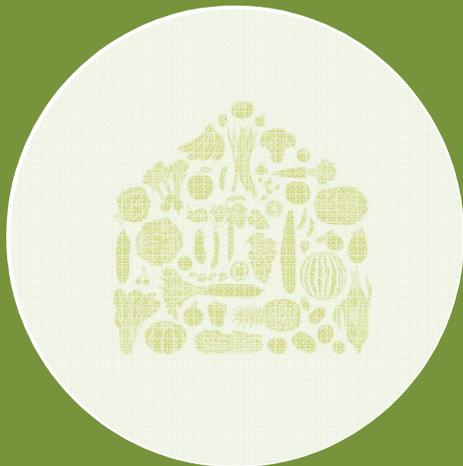
We strive to deliver quality products in the most convenient way from the customers' perspective, not based on the logic of the producers.

Oisix

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1
1QFY2016
Results Overview

1. 1QFY2016 Results Overview

(i) 1QFY2016 Actual



■ Sales

Overall sales **increased by 13.9% year on year** mainly due to increased sales resulting from a larger number of KitOisix Course subscribers (an approximate increase of 11% year on year) and large consulting projects acquired by the Others Segment.

■ Operating profit

Operating profit **increased by 4.9% year on year**, due to the cost ratio improvement of approximately 0.2% year on year, despite increases mainly in sub-contracting, and freight expenses.

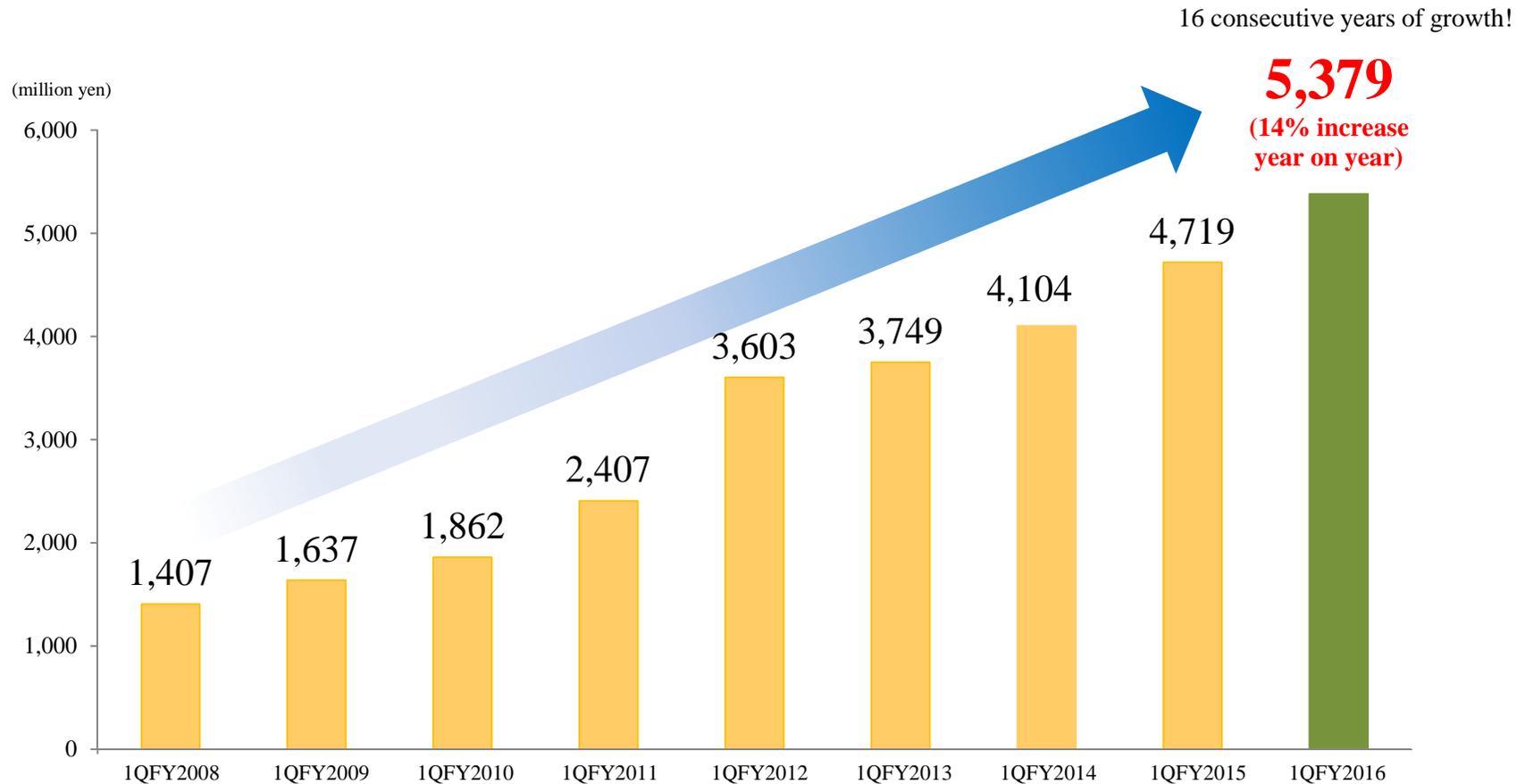
million yen	1QFY2015 Actual (Non-consolidated)	1QFY2016 Actual (Consolidated)	FY2016 Plan (Consolidated)	YoY (Amount)	YoY (Rate)	Progress
Sales	4,719	5,379	23,000	660	13.9%	23.3%
Operating profit	161	169	820	8	4.9%	20.6%
Recurring profit	169	179	830	10	5.9%	21.5%
Net profit (attributable to Oisix Inc.)	107	119	580	12	11.2%	20.5%

1. 1QFY2016 Results Overview

(ii) Changes in Sales



16 consecutive years of record-high sales as a result of the steady increase in subscribers.

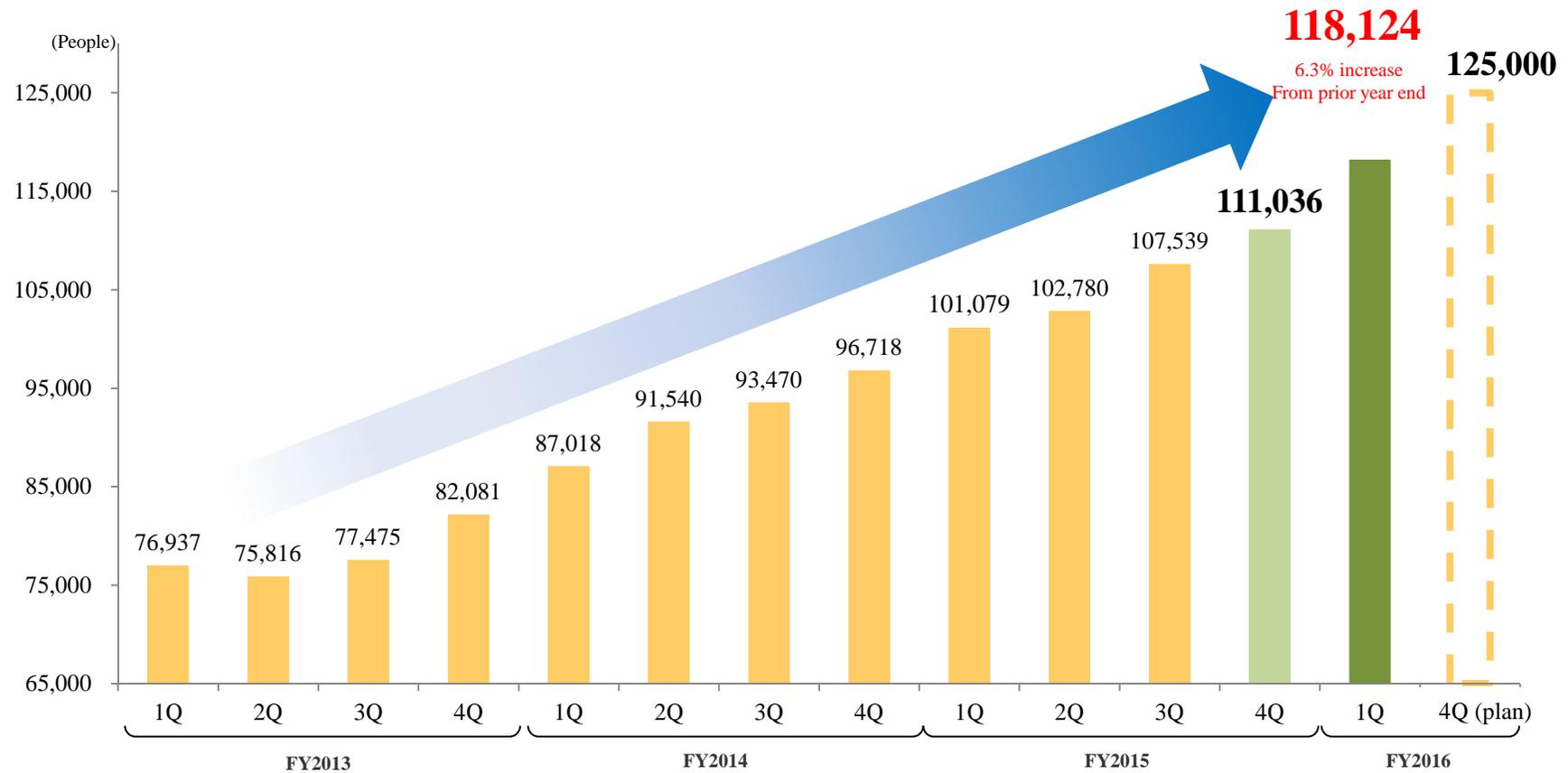


1. 1QFY2016 Results Overview

(iii) Changes in the Number of Subscribers



The number of subscribers, the most important indicator, increased from 111 thousand to **118 thousand (6.3% growth from prior year end)**. We aim to have 125 thousand subscribers by the end of the current year end, March 31, 2017.

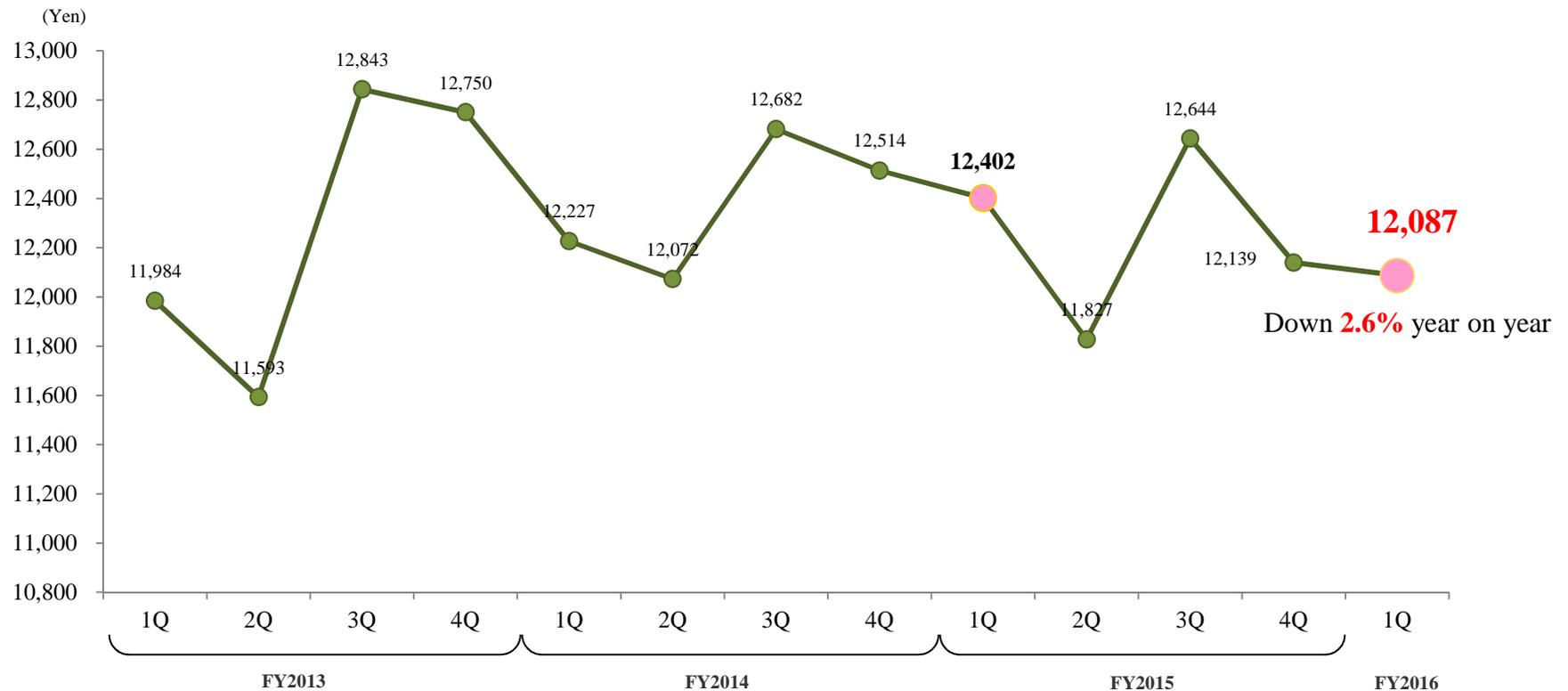


1. 1QFY2016 Results Overview

(iv) Changes in ARPU



The purchase frequency was 2.06 (a decrease of 4.2% year on year). The purchase price per order was 5,874 yen (an increase of 2.0% year on year). The **ARPU stood at 12,087 yen (down 2.6% year on year)**.



* ARPU: Average Revenue Per User

* Subscribers' purchase frequency × Purchase price per order

* Starting in the fiscal year under review, the numbers indicate average numbers for the relevant quarter (compared to numbers at the end of the relevant quarter).

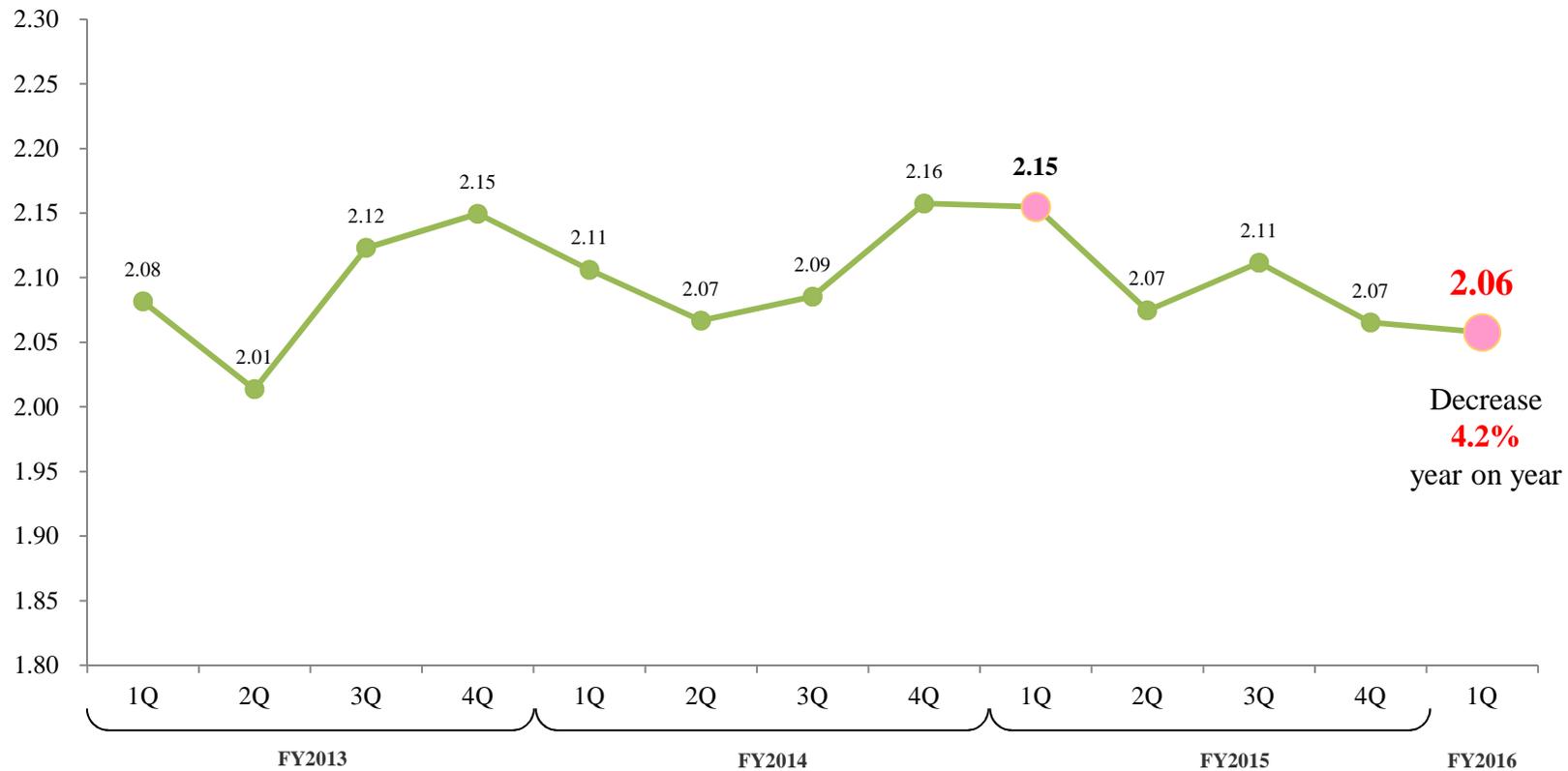
1. 1QFY2016 Results Overview

(v) Changes in Purchase Frequency



The purchase frequency was **2.06 (a decrease of 4.2% year on year)**, due to an increase in the temporary suspension of subscriptions during the holidays when trips also increase, reflecting an increase in the number of subscribers who are mothers (families with small children).

(Number of purchase)



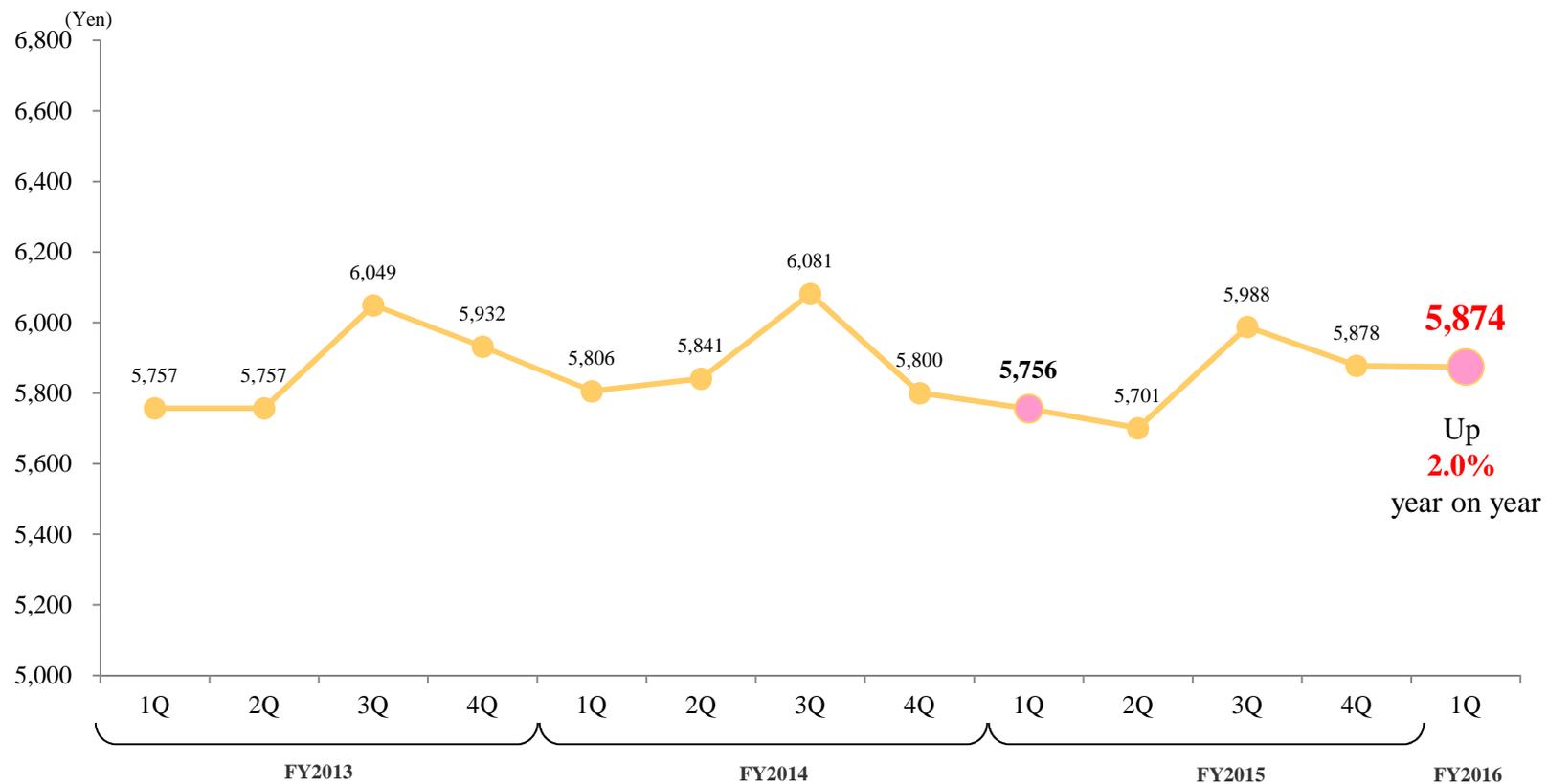
* Starting in the fiscal year under review, the numbers indicate average numbers for the relevant quarter (compared to numbers at the end of the relevant quarter).

1. 1QFY2016 Results Overview

(vi) Changes in Purchase Price per Order



The purchase price per order was **5,874 yen (an increase of 2.0% year on year)**, attributable to the advanced sale of premium products with higher unit prices (asparagus, Japanese plum juice kit using handpicked Japanese plums, etc.).



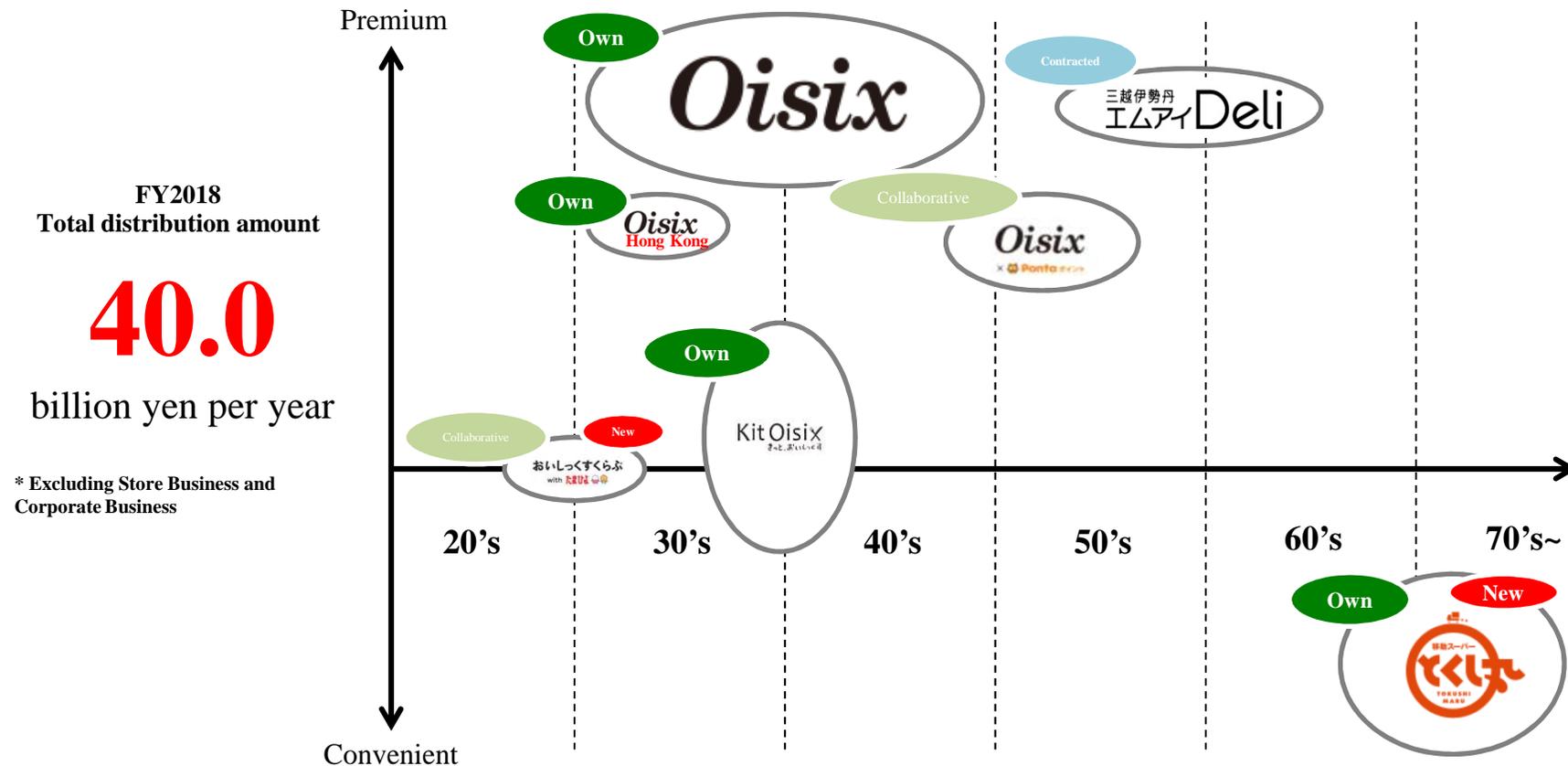
* Starting in the fiscal year under review, the numbers indicate average numbers for the relevant quarter (compared to numbers at the end of the relevant quarter).

1. 1QFY2016 Results Overview

(vii) Medium-Term Growth Strategy - Total distribution amount -



There was a focus on the expansion of the subscription commerce platform while developing the existing own/collaborative/contracted business. There was also a challenge to expand the newly launched business (with Tamahiyo, a subscription service for mothers) and the acquired business (Tokushimaru-mobile supermarket) and to increase the total distribution amount.

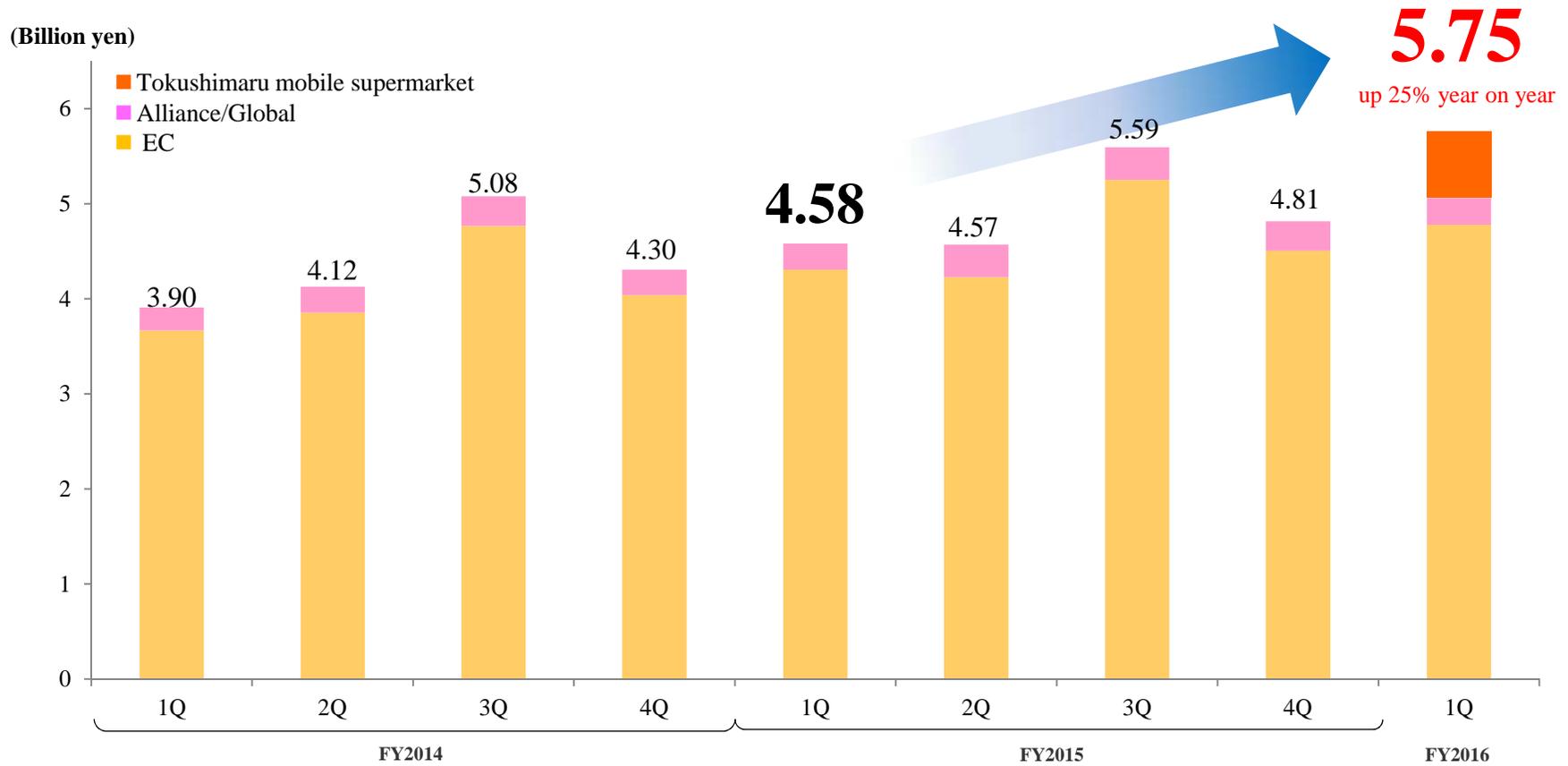


1. 1QFY2016 Results Overview

(vii) Medium-Term Growth Strategy – Changes in Total distribution Amount –



The total distribution amount was **5.75** billion yen, an increase of **25%** year on year.





1QFY2016
Summary of
Activities

2. 1QFY2016 Summary of Activities

(i) Growth in the EC Business

– Evolving the Sales Site with Unique Features to Make Oisix's Products Stand Out –



MajiVege Declaration

■ Shared our earnest stance toward vegetables.



■ Strengthened business visually by introducing movies and recipes only offered by Oisix.



この食感、まるで大トロ
トロなす

■ 焼くだけで
誰もがよろこぶご馳走に

薩摩白なすを祖先に持つこのなすは、
メディア取材回数10回以上*のスター
野菜！きめ細かな果肉がたっぷりと水
分を蓄えているので、焼くとトロっ
としたコクのある味わいに。驚きのく
ちどけをぜひ体感してください。

※2007年～2016年の実績より



おすすめの食べ方

まずは王道のステーキがおすすめ！ぶ
厚く切ったトロなすを、少し多めの油
でじっくりと焼いて、中まで火が通っ
たらジューッと醤油をかけて香ばしく
仕上げてください。お好みで小ねぎや
かつお節を添えてどうぞ。

Oisix

2. 1QFY2016 Summary of Activities

(i) Growth in the EC Business

– Evolving the Sales Site with Unique Features to Make Oisix’s Products Stand Out –



Category Restructuring

- Visualized categories and added sorting functions for each category.

The image illustrates the restructuring of the Oisix website's category navigation. On the left, the old layout features a search bar and a vertical list of categories under 'カテゴリ'. On the right, the new layout features a grid of sub-categories and sorting options, with an orange box highlighting the new '野菜' (Vegetables) section.

Old Layout (Left):

- 1 定期ボックス
- 2 Sale・New
- 3 カテゴリ
- 4 よく買う商品
- 食材、商品名
- カテゴリ
- 商品カテゴリから探す
- 野菜
- 新着野菜
- 便利な野菜
- 春野菜 NEW!
- トマト
- にんじん・パプリカ
- なす
- きゅうり・セロリ・ピーマン
- レタス・キャベツ・ベビーリーフ

New Layout (Right):

- 1 TOP
- 2 Sale・New
- 3 カテゴリ
- 4 よく買う商品
- 野菜
- カット冷凍便利セット
- 珍 珍し野菜
- 西 西日本野菜
- サラダ用
- 夏 夏野菜
- トマト
- にんじん
- 玉ねぎ
- じゃがいも
- さつまいも さといも 長いも
- れんこん ごぼう その他根菜
- ブロッコリー アスパラ
- きゅうり おくら

2. 1QFY2016 Summary of Activities

(i) Growth in the EC Business – Evolving the Subscription Box –

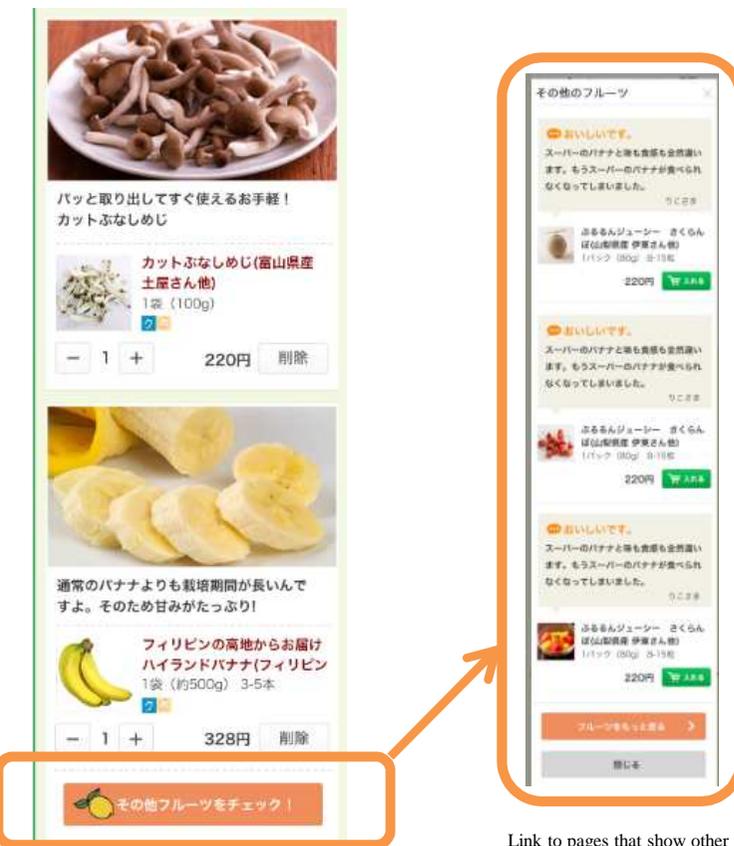


Purchase price for fruit and vegetables improved, due to initiatives such as better-sized photographs, an optimized amount of information, additional choices of fruit other than the recommended fruit, and other convenient functions.

■ Previous subscription box



■ New subscription box



Link to pages that show other fruit

2. 1QFY2016 Summary of Activities

(ii) Changes in Number of KitOisix Course Subscribers



A net increase in the number of KitOisix subscribers, driven by the launch of confectionery Kits and a new menu. The number of subscribers exceeded **38 thousand** (an increase of **16.1% year on year**) at the end of the first quarter of the fiscal year ending March 31, 2017

■ What is KitOisix?



- Oisix safety standards
- Only takes 20 minutes to prepare the main and side dishes.
- vegetables seasonal.

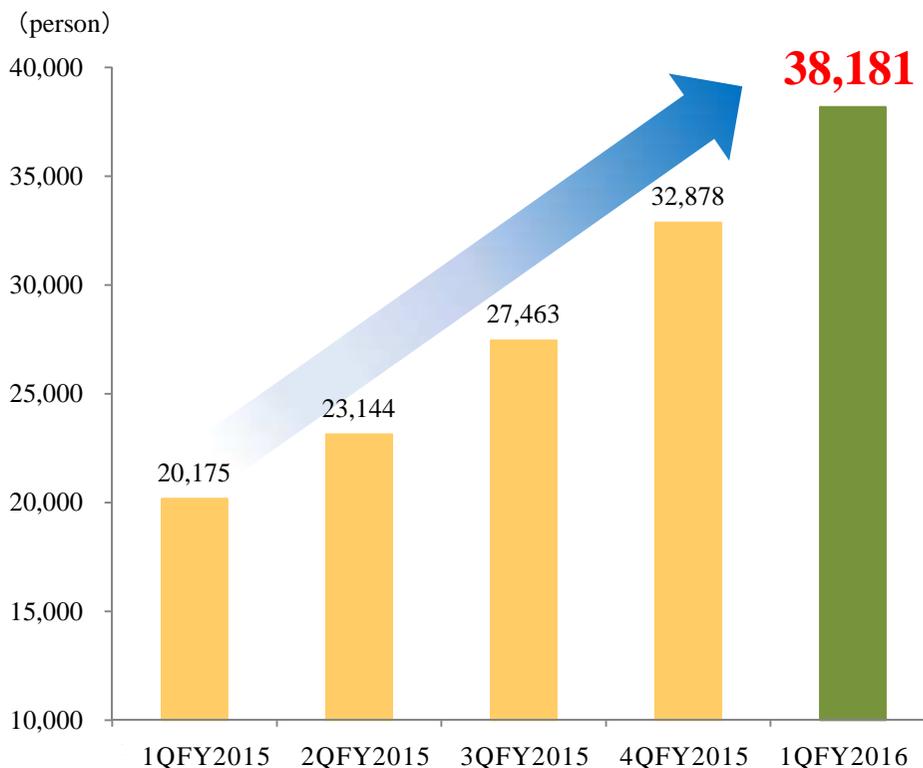
■ Main initiatives for 1QFY2016



Launched confectionery Kit, easily made using bread and fruit, that can be served any time, unlike other Kits mainly served for dinner. It contributed to an increase in the number of purchase.



The “Kasahara Style ginger and salt pork stir-fry” was a big hit. It contributed to the improvement of the operation rate and orders.



2. 1QFY2016 Summary of Activities

(iii) Contribution of Non-EC Businesses to Revenues

– Expansion of the Consulting Business –



Using our knowledge about acquiring subscribers, we provided support for the promotional activities of Nestle Japan Co., Ltd. for NESCAFÉ Dolce Gusto, a coffee machine, such as demonstrations on the use of the machine, coffee tastings, and soliciting subscriptions of coffee capsules.

■ An event hosted by Nestle Japan Co., Ltd.



■ Overview of the initiatives

- The coffee machine, NESCAFÉ Dolce Gusto, which enjoys a high level of recognition from its TV commercials, etc., was displayed and a free tasting was offered. As a result, we acquired subscribers for Nestle’s coffee capsules.
- Subscription arrangement was made using tablet terminal.

■ Alliance/Global Business Division

• Assigned Yusuke Tsutsumi, former General Manager of the EC Business Division, as the head of division.

• Rearranged and improved the B2B menus and webpages for corporate customers: Consulting Business, Shun-Yasai Novelty – “Taberuty”, and advertisements for home delivery subscribers, Ad Oisix.



2. 1QFY2016 Summary of Activities

(iv) Acquisition of Tokushimaru Inc. as a Subsidiary



Acquired Tokushimaru Inc., a franchise operator in the mobile supermarket business that conducts business in cooperation with supermarket operators nationwide, as a subsidiary.

■ Delivery van for Tokushimaru



■ Winner of the Japan Service Award



Mr. Sumitomo, President of Tokushimaru . (on the right)



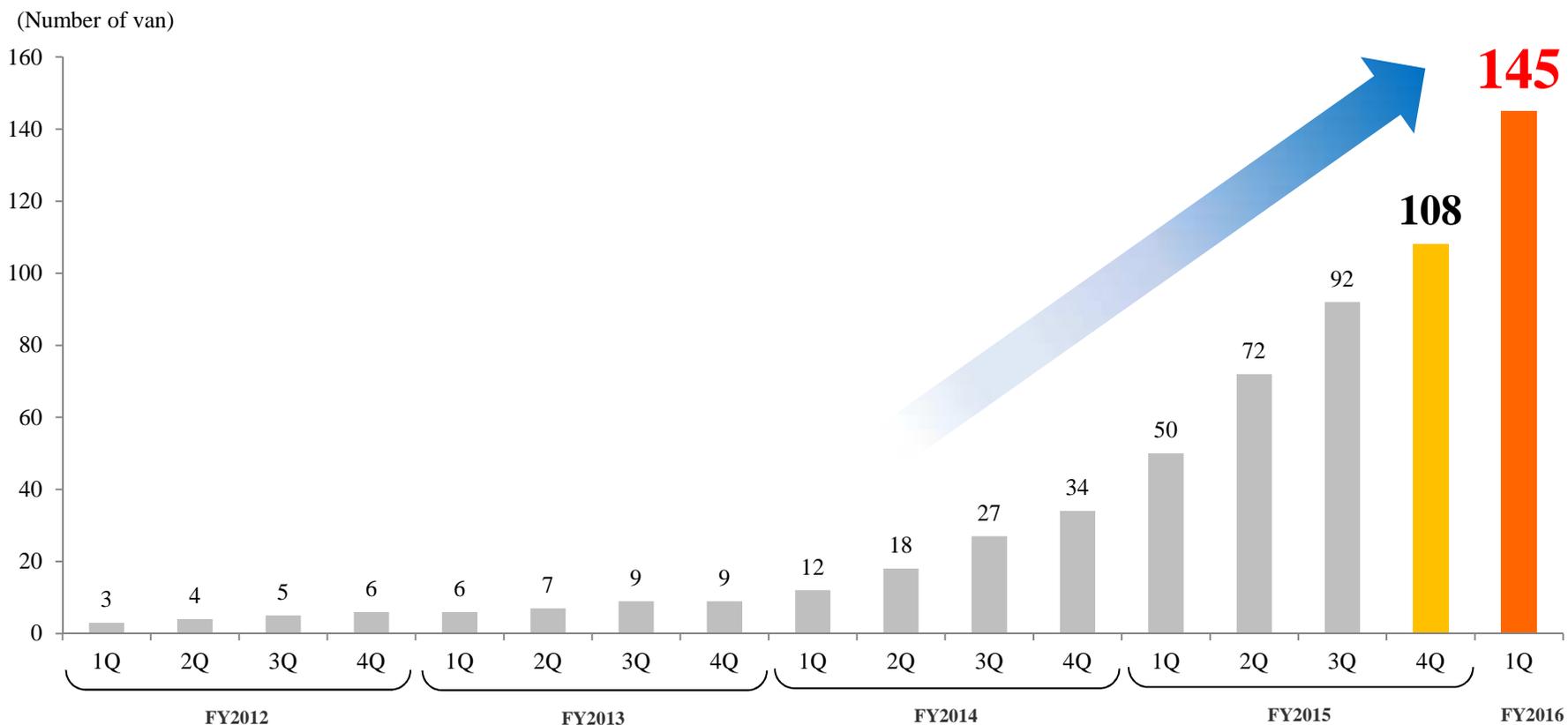
1QFY2016
Summary of
Activities of
Tokushimaru Inc.

3. Summary of Activities of Tokushimaru Inc.

(i) Number of Vans in Operation



The number of vans operating in the mobile vending service increased by **37** from March 31, 2016, due to a steady increase in the number of new partner supermarket operators in addition to an increase in the number of vans for the existing partner supermarket operators. Launched new services, including product sampling for senior consumers.

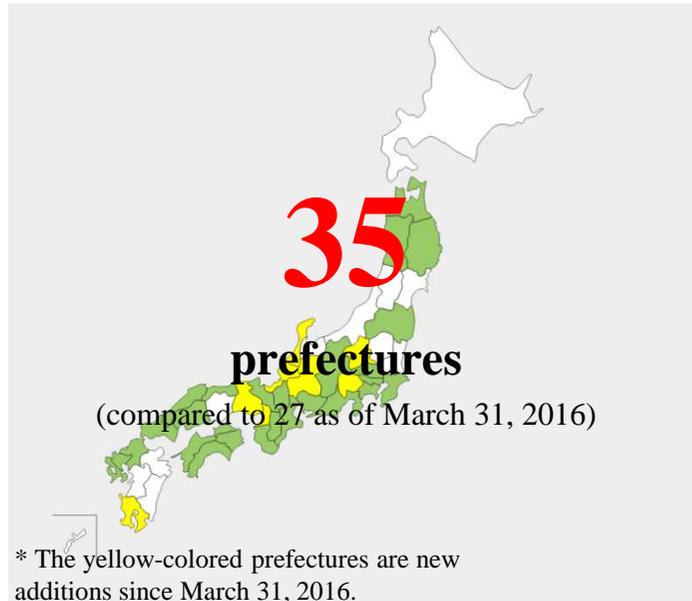


3. Summary of Activities of Tokushimaru Inc. (ii) Business Regions and Partner Supermarket Operators

– as of June 30, 2016 –



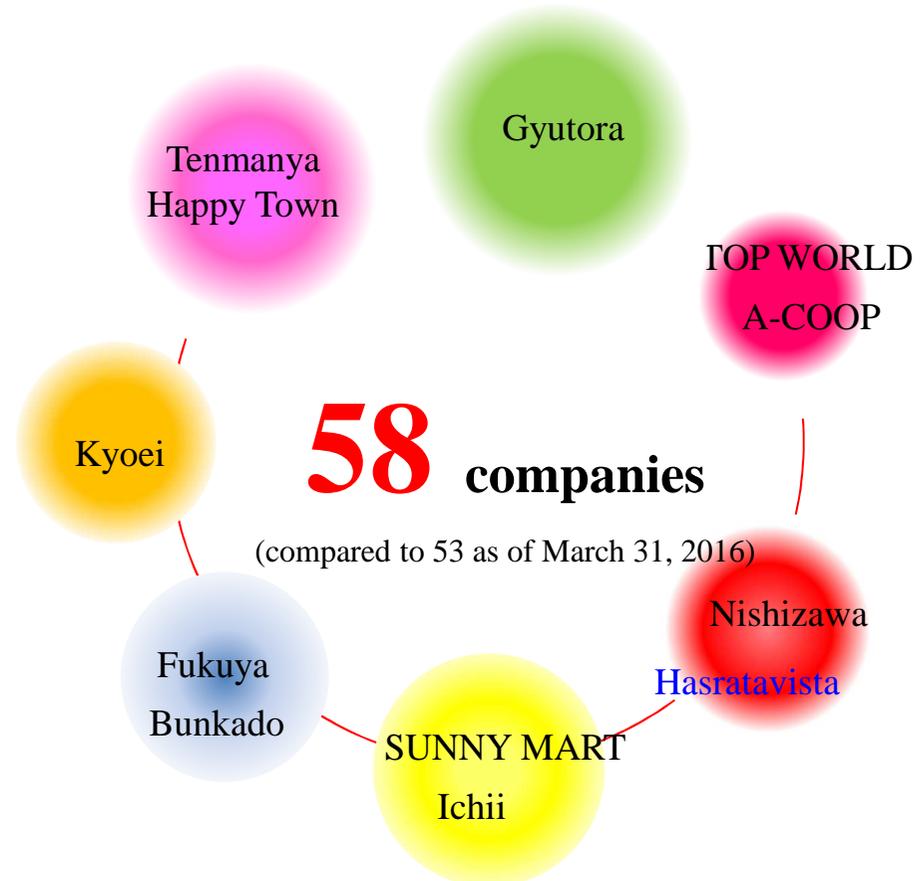
■ Business regions



■ The top three prefectures in terms of the number of Tokushimaru vans in use

- Tokushima: 24
- Okayama: 15
- Kochi: 13

■ Partner supermarket operators



3. Summary of Activities of Tokushimaru Inc. (iii) Total Distribution Amount



The total distribution amount for the first three months of the fiscal year ending on March 31, 2017 came to **698** million yen (an increase of 36% year on year).

