

**Supplementary Material on Consolidated Financial Results for the First  
Nine Months of the Fiscal Year Ending December 31, 2016**

<Results for the First Nine Months of the Fiscal Year Ending December 31, 2016>

1. Summary of Consolidated Statements of Income, Indices, etc.
2. Sales Details
3. Profit Details
4. Summary of Consolidated Balance Sheets
5. Other Information

<Earnings Forecast for the Fiscal Year Ending December 31, 2016>

1. Summary of Consolidated Statements of Income, Indices, etc.
2. Sales Details
3. Profit Details
4. Other Information

**Suntory Beverage & Food Limited**

**November 2, 2016**

<Results for the First Nine Months of the Fiscal Year Ending December 31, 2016>

**1. Summary of Consolidated Statements of Income, Indices, etc.**

(1) Summary of Consolidated Statements of Income

(Billions of yen with fractional amounts rounded off)

	Nine months ended September 30, 2015		Nine months ended September 30, 2016		Increase (decrease)	
		Ratio to net sales		Ratio to net sales		
Net sales	1,021.0	100.0%	1,065.8	100.0%	44.9	4.4%
Gross profit	560.2	54.9%	596.5	56.0%	36.3	6.5%
Selling, general and administrative expenses	490.3	48.0%	522.1	49.0%	31.8	6.5%
Operating income	69.9	6.8%	74.4	7.0%	4.6	6.5%
Non-operating income	2.8	0.3%	1.8	0.2%	(1.0)	(34.3%)
Non-operating expenses	11.0	1.1%	4.1	0.4%	(6.9)	(62.8%)
Ordinary income	61.6	6.0%	72.2	6.8%	10.5	17.1%
Extraordinary income	15.8	1.6%	0.1	0.0%	(15.7)	(99.4%)
Extraordinary loss	13.5	1.3%	9.1	0.9%	(4.4)	(32.5%)
Income before income taxes	64.0	6.3%	63.2	5.9%	(0.8)	(1.3%)
Income taxes	24.0	2.4%	22.1	2.1%	(2.0)	(8.2%)
Net income attributable to non-controlling interests	1.3	0.1%	4.7	0.4%	3.3	250.7%
Net income attributable to owners of the parent	38.6	3.8%	36.4	3.4%	(2.2)	(5.7%)

(2) Other Indices

(Billions of yen)

		Nine months ended September 30, 2015		Nine months ended September 30, 2016		Increase (decrease)	
Depreciation and amortization		40.3		43.6		3.3   8.2%	
Amortization of goodwill		19.6		21.6		2.0   10.2%	
Operating income before amortization of goodwill		89.5		96.0		6.6   7.3%	
Net income before amortization of goodwill *1		58.2		58.0		(0.2)   (0.4%)	
EBITDA *2	EBITDA margin	129.8	12.7%	139.6	13.1%	9.9	7.6%

\*1 Net income before amortization of goodwill is Net income attributable to owners of the parent plus Amortization of goodwill.

\*2 EBITDA is Operating income plus Depreciation and amortization, and Amortization of goodwill.

Operating margin	Before amortization of goodwill	8.8%	9.0%
	After amortization of goodwill	6.8%	7.0%

(Billions of yen)

	As of December 31, 2015	As of September 30, 2016	Increase (decrease)	
Total assets	1,484.4	1,355.3	(129.1)	(8.7%)
Total equity	626.9	554.9	(72.0)	(11.5%)
D/E ratio (Times) *3	0.5	0.4		

\*3 D/E ratio: (Interest-bearing debt - Cash and deposits) / Total equity

### (3) Exchange Rates for the Consolidation of Profit or Loss of the Major Overseas Companies

(Yen, average exchange rate)

	Nine months ended September 30, 2015	Nine months ended September 30, 2016
USD	121.0	108.6
EUR	134.7	121.0
GBP	185.5	151.3
SGD	88.7	79.1
NZD	86.0	75.0
AUD	92.3	80.4

## 2. Sales Details

(Billions of yen)

	Nine months ended September 30, 2015	Nine months ended September 30, 2016	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	593.5	678.1	84.6	14.3%	14.3%	
Europe	198.6	180.4	(18.2)	(9.2%)	4.0%	
Asia	130.0	119.0	(11.0)	(8.5%)	4.8%	
Oceania	32.3	28.4	(3.9)	(11.9%)	1.0%	
Americas	66.6	59.9	(6.7)	(10.0%)	0.3%	
Overseas	427.4	387.7	(39.7)	(9.3%)	3.4%	
Reconciliations	-	-	-	-	-	
Consolidation total	1,021.0	1,065.8	44.9	4.4%	10.1%	

## 3. Profit Details

### (1) EBITDA

(Billions of yen)

	Nine months ended September 30, 2015	Nine months ended September 30, 2016	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	57.5	71.0	13.5	23.4%	23.4%	
Europe	43.4	37.9	(5.5)	(12.8%)	0.6%	
Asia	15.1	17.4	2.3	15.0%	35.1%	
Oceania	4.9	4.1	(0.7)	(15.1%)	(2.9%)	
Americas	10.4	9.3	(1.1)	(10.6%)	0.2%	
Overseas	73.8	68.6	(5.1)	(6.9%)	7.2%	
Reconciliations	(1.5)	-	1.5	-	-	*1
Consolidation total	129.8	139.6	9.9	7.6%	16.4%	

\*1 The reconciliations of EBITDA represent a one-time adjustment owing to Japan Beverage Holdings Inc., etc. being newly included in the scope of consolidation.

## (2) Segment Profit

(Billions of yen)

	Nine months ended September 30, 2015	Nine months ended September 30, 2016	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	34.0	43.2	9.2	27.1%	27.1%	
Europe	36.5	31.3	(5.2)	(14.2%)	(1.1%)	
Asia	9.0	11.5	2.6	28.5%	54.7%	
Oceania	3.7	3.0	(0.7)	(18.5%)	(6.9%)	
Americas	7.9	7.0	(0.9)	(11.4%)	(0.5%)	
Overseas	57.0	52.8	(4.2)	(7.4%)	7.0%	
Reconciliations	(21.1)	(21.6)	(0.5)	-	-	*2
Consolidation total	69.9	74.4	4.6	6.5%	16.7%	

\*2 The reconciliations of segment profit represent amortization of goodwill, etc. unallocated to each reportable segment.

## (3) Ordinary Income and Net Income Attributable to Owners of the Parent

(Billions of yen)

	Nine months ended September 30, 2015	Nine months ended September 30, 2016	Increase (decrease)		Reference
Non-operating income	2.8	1.8	(1.0)	(34.3%)	
Non-operating expenses	11.0	4.1	(6.9)	(62.8%)	*3
Ordinary income	61.6	72.2	10.5	17.1%	
Extraordinary income	15.8	0.1	(15.7)	(99.4%)	*4
Extraordinary loss	13.5	9.1	(4.4)	(32.5%)	*5
Income taxes	24.0	22.1	(2.0)	(8.2%)	
Net income attributable to non-controlling interests	1.3	4.7	3.3	250.7%	
Net income attributable to owners of the parent	38.6	36.4	(2.2)	(5.7%)	

\*3 The decrease is mainly due to a decrease in equity in losses of affiliates.

\*4 The decrease is mainly due to a decrease in gain on step acquisitions.

\*5 The decrease is mainly due to a decrease in impairment loss.

## (4) Breakdown of Increase (Decrease) in Segment Profit for Japan Segment

(Billions of yen)

Segment profit for the nine months ended September 30, 2015	34.0
Increase in sales volume	3.2
Change in product mix	2.9
Reduction in manufacturing costs	5.8
Increase in sales promotion and advertising costs	(1.6)
Increase in other expenses	(1.1)
Segment profit for the nine months ended September 30, 2016	43.2

#### 4. Summary of Consolidated Balance Sheets

(Billions of yen)

	As of December 31, 2015	As of September 30, 2016	Increase (decrease)	Reference
Cash and deposits	97.7	105.1	7.3	
Notes and accounts receivable–trade	156.9	169.3	12.4	
Inventories	82.6	81.0	(1.6)	
Other	53.3	58.3	5.0	
Current assets	390.6	413.6	23.1	
Property, plant and equipment	347.9	314.0	(33.8)	
Goodwill	454.2	398.4	(55.8)	*6
Trademarks	188.5	138.7	(49.9)	*7
Other	68.7	58.9	(9.8)	
Intangible fixed assets	711.4	596.0	(115.5)	
Investments and other assets	34.3	31.6	(2.7)	
Noncurrent assets	1,093.5	941.6	(152.0)	
Deferred assets	0.3	0.1	(0.2)	
Total	1,484.4	1,355.3	(129.1)	
Notes and accounts payable–trade	119.8	127.0	7.2	
Interest-bearing debt	113.6	99.4	(14.2)	*8
Other	205.4	228.0	22.6	
Current liabilities	438.9	454.5	15.6	
Interest-bearing debt	298.7	236.9	(61.9)	*9
Other	119.9	109.1	(10.8)	
Long-term liabilities	418.7	346.0	(72.7)	
Total liabilities	857.5	800.4	(57.1)	
Shareholders' equity	537.2	550.3	13.1	
Accumulated other comprehensive income	46.2	(34.2)	(80.5)	*10
Non-controlling interests	43.4	38.8	(4.6)	
Total equity	626.9	554.9	(72.0)	
Total	1,484.4	1,355.3	(129.1)	

\*6 The decrease is mainly due to the impact of amortization of goodwill and foreign currency translation related to overseas subsidiaries.

\*7 The decrease is mainly due to the impact of foreign currency translation related to overseas subsidiaries.

\*8 The decrease is mainly due to repayments of short-term borrowings.

\*9 The decrease is mainly due to the impact of the transfer from long-term liabilities (long-term debt) to current liabilities (current portion of long-term debt) and foreign currency translation.

\*10 The decrease is mainly due to a decrease in foreign currency translation adjustments.

## 5. Other Information

### <Sales Volume in Japan by Product Category>

(Million cases)

	Nine months ended September 30, 2015		Nine months ended September 30, 2016	
	Actual	Increase (decrease) year-to-year	Actual	Increase (decrease) year-to-year
Mineral water	69.1	15%	74.2	7%
RTD coffee	66.4	5%	68.9	4%
RTD tea (excl. RTD black tea)	76.1	1%	79.3	4%
Cola drinks	20.6	(12%)	19.5	(5%)
Carbonates (excl. cola drinks)	40.1	10%	38.6	(4%)
Sports drinks, etc	16.0	(15%)	14.4	(10%)
Fruit juices	12.3	(13%)	12.9	5%
RTD black tea	5.9	(11%)	5.5	(6%)
Others	16.4	(1%)	14.9	(9%)
Total	322.9	2%	328.2	2%

\* The portions of the sales volume by Japan Beverage Holdings Inc. and A-Star Co., Ltd. that were supplied from other soft drink manufacturers are not included in the above figures.

### <Sales Volume of Major Brands in Europe>

(Million liters)

	Nine months ended September 30, 2015		Nine months ended September 30, 2016	
	Actual	Increase (decrease) year-to-year	Actual	Increase (decrease) year-to-year
Orangina (France)	123	(1%)	120	(2%)
Oasis (France)	222	3%	211	(5%)
Schweppes (Spain, Portugal)	99	7%	104	6%
Lucozade (UK, Ireland)	292	(1%)	305	4%
Ribena (UK, Ireland)	85	(11%)	84	(1%)

<Earnings Forecast for the Fiscal Year Ending December 31, 2016>

**1. Summary of Consolidated Statements of Income, Indices, etc.**

(1) Summary of Consolidated Statements of Income

(Billions of yen with fractional amounts rounded off)

	Fiscal year ended December 31, 2015, Actual		Fiscal year ending December 31, 2016, Revised forecast		Difference from previous forecast (February 12)	Increase (decrease)	
		Ratio to net sales		Ratio to net sales			
Net sales	1,381.0	100.0%	1,400.0	100.0%	(30.0)	19.0	1.4%
Gross profit	752.6	54.5%	775.0	55.4%	(8.0)	22.4	3.0%
Selling, general and administrative expenses	660.6	47.8%	683.0	48.8%	(10.0)	22.4	3.4%
Operating income	92.0	6.7%	92.0	6.6%	2.0	(0.0)	(0.0%)
Non-operating income (loss)	(9.1)	0.7%	(3.0)	0.2%	0.5	6.1	-
Ordinary income	82.9	6.0%	89.0	6.4%	2.5	6.1	7.4%
Extraordinary income (loss)	(3.4)	0.2%	(8.5)	0.6%	(3.5)	(5.1)	-
Income before income taxes and minority interests	79.5	5.8%	80.5	5.8%	(1.0)	1.0	1.3%
Income taxes	34.4	2.5%	33.5	2.4%	(0.5)	(0.9)	(2.6%)
Net income attributable to non-controlling interests	2.6	0.2%	6.5	0.5%	(0.5)	3.9	148.4%
Net income attributable to owners of the parent	42.5	3.1%	40.5	2.9%	-	(2.0)	(4.6%)

## (2) Other Indices

(Billions of yen)

		Fiscal year ended December 31, 2015, Actual		Fiscal year ending December 31, 2016, Revised forecast		Difference from previous forecast (February 12)	Increase (decrease)	
Depreciation and amortization		56.3		58.5		(2.0)	2.2	3.9%
Amortization of goodwill		27.2		28.5		(1.0)	1.3	4.7%
Operating income before amortization of goodwill		119.2		120.5		1.0	1.3	1.1%
Net income before amortization of goodwill *1		69.7		69.0		(1.0)	(0.7)	(1.0%)
EBITDA *2	EBITDA margin	175.5	12.7%	179.0	12.8%	(1.0)	3.5	2.0%

\*1 Net income before amortization of goodwill is Net income attributable to owners of the parent plus Amortization of goodwill.

\*2 EBITDA is Operating income plus Depreciation and amortization, and Amortization of goodwill.

### Before amortization of goodwill

EPS (Yen)	225.53	223.30	(3.24)	(2.23)	(1.0%)
Operating margin	8.6%	8.6%			
ROE	11.8%	12.4%			
Dividend payout ratio *3	30.2%	30.5%			

### After amortization of goodwill

EPS (Yen)	137.42	131.07	-	(6.35)	(4.6%)
Operating margin	6.7%	6.6%			
ROE	7.2%	7.3%			
Dividend payout ratio *3	49.5%	51.9%			

\*3 The Company calculated the Dividend payout ratio for each fiscal year by dividing the Total cash dividends of that year by Net income of that year.

## (3) Exchange Rates for the Consolidation of Profit or Loss of the Major Overseas Companies

(Yen, average exchange rate)

	Fiscal year ended December 31, 2015, Actual	Fiscal year ending December 31, 2016, Revised forecast	Previous forecast (February 12)
USD	121.1	107.0	118.0
EUR	134.3	119.0	125.0
GBP	185.2	146.0	165.0
SGD	88.1	78.0	85.0
NZD	84.7	75.0	76.0
AUD	91.1	80.0	82.0



## 2. Sales Details

(Billions of yen)

	Fiscal year ended December 31, 2015, Actual	Fiscal year ending December 31, 2016, Revised forecast	Difference from previous forecast (February 12)	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	806.9	890.0	20.0	83.1	10.3%	10.3%	
Europe	254.2	225.5	(18.0)	(28.7)	(11.3%)	3.6%	
Asia	180.5	161.0	(22.0)	(19.5)	(10.8%)	2.9%	
Oceania	45.6	40.0	(2.0)	(5.6)	(12.3%)	0.0%	
Americas	93.7	83.5	(8.0)	(10.2)	(10.9%)	1.1%	
Overseas	574.1	510.0	(50.0)	(64.1)	(11.2%)	2.7%	
Reconciliations	-	-	-	-	-	-	
Consolidation total	1,381.0	1,400.0	(30.0)	19.0	1.4%	7.4%	

## 3. Profit Details

### (1) EBITDA

(Billions of yen)

	Fiscal year ended December 31, 2015, Actual	Fiscal year ending December 31, 2016, Revised forecast	Difference from previous forecast (February 12)	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	79.8	92.5	5.5	12.7	15.9%	15.9%	
Europe	53.6	45.5	(5.0)	(8.1)	(15.2%)	0.1%	
Asia	21.8	22.0	(0.4)	0.2	0.7%	19.2%	
Oceania	7.6	6.5	0.3	(1.1)	(14.0%)	(3.7%)	
Americas	14.2	12.5	(1.4)	(1.7)	(12.0%)	0.6%	
Overseas	97.2	86.5	(6.5)	(10.7)	(11.0%)	4.1%	
Reconciliations	(1.5)	-	-	1.5	-	-	*1
Consolidation total	175.5	179.0	(1.0)	3.5	2.0%	10.9%	

\*1 The reconciliations of EBITDA represent a one-time adjustment owing to Japan Beverage Holdings Inc., etc. being newly included in the scope of consolidation.

## (2) Segment Profit

(Billions of yen)

	Fiscal year ended December 31, 2015, Actual	Fiscal year ending December 31, 2016, Revised forecast	Difference from previous forecast (February 12)	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	46.7	55.5	5.5	8.8	18.7%	18.7%	
Europe	44.0	37.0	(4.0)	(7.0)	(15.9%)	(0.9%)	
Asia	13.6	14.0	0.3	0.4	2.9%	24.4%	
Oceania	5.9	5.0	0.5	(0.9)	(14.6%)	(4.9%)	
Americas	10.5	9.0	(1.3)	(1.5)	(14.6%)	(2.2%)	
Overseas	74.0	65.0	(4.5)	(9.0)	(12.2%)	3.1%	
Reconciliations	(28.7)	(28.5)	1.0	0.2	-	-	*2
Consolidation total	92.0	92.0	2.0	(0.0)	(0.0%)	10.5%	

\*2 The reconciliations of segment profit represent amortization of goodwill, etc. unallocated to each reportable segment.

## (3) Ordinary Income and Net Income Attributable to Owners of the Parent

(Billions of yen)

	Fiscal year ended December 31, 2015, Actual	Fiscal year ending December 31, 2016, Revised forecast	Difference from previous forecast (February 12)	Increase (decrease)		Reference
Non-operating income (loss)	(9.1)	(3.0)	0.5	6.1	-	
Ordinary income	82.9	89.0	2.5	6.1	7.4%	
Extraordinary income (loss)	(3.4)	(8.5)	(3.5)	(5.1)	-	
Income taxes	34.4	33.5	(0.5)	(0.9)	(2.6%)	
Net income attributable to non-controlling interests	2.6	6.5	(0.5)	3.9	148.4%	
Net income attributable to owners of the parent	42.5	40.5	-	(2.0)	(4.6%)	

## (4) Breakdown of Increase (Decrease) in Segment Profit for Japan Segment

(Billions of yen)

		Difference from previous forecast (February 12)
Segment profit for the fiscal year ended December 31, 2015, Actual	46.7	-
Increase in sales volume	3.2	3.1
Change in product mix	3.1	0.8
Reduction in manufacturing costs	7.8	5.1
Increase in sales promotion and advertising costs	(3.4)	(2.2)
Increase in other expenses	(1.9)	(1.3)
Segment profit for the fiscal year ending December 31, 2016, Revised forecast	55.5	5.5

#### 4. Other Information

##### <Sales Volume in Japan by Product Category>

(Million cases)

	Fiscal year ended December 31, 2015		Fiscal year ending December 31, 2016		Difference from previous forecast (February 12)
	Actual	Increase (decrease)	Revised forecast	Increase (decrease)	
Mineral water	90.5	14%	96.3	6%	4.8
RTD coffee	91.7	4%	93.6	2%	1.4
RTD tea (excl. RTD black tea)	100.6	1%	103.7	3%	1.0
Cola drinks	26.8	(10%)	25.0	(7%)	(1.3)
Carbonates (excl. cola drinks)	50.8	9%	48.7	(4%)	(4.0)
Sports drinks, etc	18.8	(15%)	17.0	(10%)	1.6
Fruit juices	16.0	(11%)	17.4	9%	2.8
RTD black tea	8.3	(7%)	7.3	(13%)	(1.2)
Others	22.2	(2%)	20.7	(7%)	(1.4)
Total	425.7	3%	429.7	1%	3.8

\* The portions of the sales volume by Japan Beverage Holdings Inc. and A-Star Co., Ltd. that were supplied from other soft drink manufacturers are not included in the above figures.