

**Supplementary Material on Consolidated Financial Results**  
**for the Fiscal Year Ended December 31, 2019**

<Results for the Year Ended December 31, 2019>

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**Suntory Beverage & Food Limited**

**February 13, 2020**

<Results for the Year Ended December 31, 2019>

**1. Summary of Consolidated Statement of Profit or Loss, Indices, etc.**

(1) Summary of Consolidated Statement of Profit or Loss

(Billions of yen with fractional amounts rounded off)

|   | Year ended<br>December 31, 2018 |                  | Year ended<br>December 31, 2019 |                  | Increase (decrease) |         |
|---|---------------------------------|------------------|---------------------------------|------------------|---------------------|---------|
|   |                                 | Ratio to revenue |                                 | Ratio to revenue |                     |         |
| Revenue   | 1,294.3                         | 100.0%           | 1,299.4                         | 100.0%           | 5.1                 | 0.4%    |
| Gross profit  | 535.5                           | 41.4%            | 536.1                           | 41.3%            | 0.6                 | 0.1%    |
| Selling, general and administrative expenses                  | 424.9                           | 32.8%            | 414.8                           | 31.9%            | (10.1)              | (2.4%)  |
| Gain on investments accounted for using the equity method     | 0.1                             | 0.0%             | 0.0                             | 0.0%             | (0.1)               | (95.7%) |
| Other income  | 14.6                            | 1.1%             | 1.7                             | 0.1%             | (12.9)              | (88.5%) |
| Other expenses  | 11.8                            | 0.9%             | 9.0                             | 0.7%             | (2.8)               | (23.4%) |
| Operating income  | 113.6                           | 8.8%             | 113.9                           | 8.8%             | 0.4                 | 0.3%    |
| Finance income  | 1.0                             | 0.1%             | 1.4                             | 0.1%             | 0.4                 | 38.2%   |
| Finance costs   | 2.8                             | 0.2%             | 3.2                             | 0.2%             | 0.4                 | 14.8%   |
| Profit before tax   | 111.8                           | 8.6%             | 112.2                           | 8.6%             | 0.4                 | 0.3%    |
| Income tax expense  | 23.0                            | 1.8%             | 32.1                            | 2.5%             | 9.1                 | 39.7%   |
| Profit for the year   | 88.8                            | 6.9%             | 80.1                            | 6.2%             | (8.8)               | (9.9%)  |
| Profit for the year attributable to non-controlling interests | 8.8                             | 0.7%             | 11.2                            | 0.9%             | 2.4                 | 27.1%   |
| Profit for the year attributable to owners of the Company     | 80.0                            | 6.2%             | 68.9                            | 5.3%             | (11.1)              | (13.9%) |

## (2) Other Indices

(Billions of yen)

|   |               | Year ended<br>December 31, 2018 |       | Year ended<br>December 31, 2019 |       | Increase (decrease) |         |
|---|---------------|---------------------------------|-------|---------------------------------|-------|---------------------|---------|
| Depreciation  |               | 63.3                            |       | 71.0                            |       | 7.7                 | 12.2%   |
| Operating income  |               | 113.6                           |       | 113.9                           |       | 0.4                 | 0.3%    |
| Profit for the year attributable to owners of the Company |               | 80.0                            |       | 68.9                            |       | (11.1)              | (13.9%) |
| EBITDA *1   | EBITDA margin | 174.1                           | 13.5% | 192.3                           | 14.8% | 18.2                | 10.5%   |

\*1 EBITDA is calculated as operating income - other income + other expenses + depreciation.

|                          |        |        |         |         |
|--------------------------|--------|--------|---------|---------|
| EPS (Yen)                | 258.98 | 222.94 | (36.04) | (13.9%) |
| Operating margin         | 8.8%   | 8.8%   |         |         |
| ROE                      | 11.4%  | 9.4%   |         |         |
| Dividend payout ratio *2 | 30.1%  | 35.0%  |         |         |

\*2 Dividend payout ratio for each year is calculated by dividing the total cash dividends of that year by profit for the year attributable to owners of the Company of that year.

(Billions of yen)

|                      | As at December 31, 2018 | As at December 31, 2019 | Increase (decrease) |       |
|----------------------|-------------------------|-------------------------|---------------------|-------|
| Total assets         | 1,539.4                 | 1,567.3                 | 27.9                | 1.8%  |
| Total equity         | 798.9                   | 837.6                   | 38.7                | 4.8%  |
| Capital expenditures | 60.4                    | 81.5                    | 21.1                | 34.9% |
| D/E ratio (Times) *3 | 0.2                     | 0.1                     |                     |       |

\*3 D/E ratio is calculated as (interest-bearing debt - cash and deposits ± valuation difference from adopting hedge accounting, etc.) / total equity.

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

(Yen, average exchange rate)

|     | Year ended<br>December 31, 2018 | Year ended<br>December 31, 2019 |
|-----|---------------------------------|---------------------------------|
| USD | 110.4                           | 109.0                           |
| EUR | 130.4                           | 122.1                           |
| GBP | 147.4                           | 139.2                           |
| SGD | 81.9                            | 80.0                            |
| THB | 3.4                             | 3.5                             |
| VND | 0.0048                          | 0.0047                          |
| NZD | 76.4                            | 71.9                            |
| AUD | 82.6                            | 75.8                            |

## 2. Revenue Details

(Billions of yen)

|                     | Year ended<br>December 31, 2018 | Year ended<br>December 31, 2019 | Increase (decrease) |        | Increase<br>(decrease)<br>currency<br>neutral | Reference |
|---------------------|---------------------------------|---------------------------------|---------------------|--------|---|-----------|
| Japan               | 708.7                           | 704.3                           | (4.5)               | (0.6%) | –   |           |
| Europe              | 238.9                           | 222.5                           | (16.5)              | (6.9%) | (0.6%)  |           |
| Asia                | 207.4                           | 231.7                           | 24.3                | 11.7%  | 11.8%   |           |
| Oceania             | 54.2                            | 53.2                            | (1.0)               | (1.8%) | 5.8%  |           |
| Americas            | 85.0                            | 87.8                            | 2.7                 | 3.2%   | 4.5%  |           |
| Reconciliations     | –                               | –                               | –                   | –      | –   |           |
| Consolidation total | 1,294.3                         | 1,299.4                         | 5.1                 | 0.4%   | 2.0%  |           |

Due to the organizational changes, some of the entities in Africa and Middle East, which were previously reported in "Europe business," have been reclassified to "Asia business" from "Europe business," starting from the second quarter of the year ended December 31, 2019. Accordingly, the same reclassification has been made for the accompanying segment information for the year ended December 31, 2018.

## 3. Profit Details

### (1) EBITDA

(Billions of yen)

|                     | Year ended<br>December 31, 2018 | Year ended<br>December 31, 2019 | Increase (decrease) |       | Increase<br>(decrease)<br>currency<br>neutral | Reference |
|---------------------|---------------------------------|---------------------------------|---------------------|-------|---|-----------|
| Japan               | 89.8                            | 94.3                            | 4.5                 | 5.1%  | –   |           |
| Europe              | 43.7                            | 47.7                            | 4.1                 | 9.3%  | 16.2%   |           |
| Asia                | 30.0                            | 37.7                            | 7.7                 | 25.6% | 24.0%   |           |
| Oceania             | 8.4                             | 9.0                             | 0.6                 | 6.8%  | 12.0%   |           |
| Americas            | 11.5                            | 12.4                            | 0.9                 | 7.4%  | 8.8%  |           |
| Reconciliations     | (9.3)                           | (8.8)                           | 0.5                 | –     | –   | *1        |
| Consolidation total | 174.1                           | 192.3                           | 18.2                | 10.5% | 12.2%   |           |

\*1 "Reconciliations" to segment EBITDA represents overhead costs incurred by the Company to manage the Group's operations and is not allocated to each reportable segment.

Due to the organizational changes, some of the entities in Africa and Middle East, which were previously reported in "Europe business," have been reclassified to "Asia business" from "Europe business," starting from the second quarter of the year ended December 31, 2019. Accordingly, the same reclassification has been made for the accompanying segment information for the year ended December 31, 2018.

## (2) Segment Profit

(Billions of yen)

|                     | Year ended<br>December 31, 2018 | Year ended<br>December 31, 2019 | Increase (decrease) |         | Increase<br>(decrease)<br>currency<br>neutral | Reference |
|---------------------|---------------------------------|---------------------------------|---------------------|---------|---|-----------|
| Japan               | 52.7                            | 53.5                            | 0.8                 | 1.5%    | –   |           |
| Europe              | 29.1                            | 33.0                            | 3.9                 | 13.4%   | 20.8%   |           |
| Asia                | 29.2                            | 25.2                            | (4.0)               | (13.7%) | (14.5%)                                       |           |
| Oceania             | 6.4                             | 6.1                             | (0.2)               | (3.7%)  | 3.4%  |           |
| Americas            | 8.5                             | 8.2                             | (0.2)               | (2.9%)  | (1.7%)  |           |
| Reconciliations     | (12.3)                          | (12.1)                          | 0.2                 | –       | –   | *2        |
| Consolidation total | 113.6                           | 113.9                           | 0.4                 | 0.3%    | 2.0%  |           |

\*2 “Reconciliations” to segment profit represents overhead costs incurred by the Company to manage the Group’s operations and is not allocated to each reportable segment.

Due to the organizational changes, some of the entities in Africa and Middle East, which were previously reported in "Europe business," have been reclassified to "Asia business" from "Europe business," starting from the second quarter of the year ended December 31, 2019. Accordingly, the same reclassification has been made for the accompanying segment information for the year ended December 31, 2018.

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

(Billions of yen)

|   |       |
|---|-------|
| Segment profit for the year ended December 31, 2018 | 52.7  |
| Decrease in revenue                                 | (4.5) |
| Decrease in cost of goods sold                      | 5.4   |
| Decrease in sales promotion and advertising costs   | 1.8   |
| Increase in other expenses                          | (1.9) |
| Segment profit for the year ended December 31, 2019 | 53.5  |

#### 4. Summary of Consolidated Statement of Financial Position

(Billions of yen)

|  | As at<br>December 31, 2018 | As at<br>December 31, 2019 | Increase (decrease) | Reference |
|--|----------------------------|----------------------------|---------------------|-----------|
| Cash and cash equivalents                          | 146.5                      | 143.6                      | (3.0)               |           |
| Trade and other receivables                        | 184.9                      | 191.2                      | 6.3                 |           |
| Other financial assets                             | 1.0                        | 6.2                        | 5.2                 |           |
| Inventories  | 85.8                       | 84.9                       | (0.9)               |           |
| Other current assets                               | 25.1                       | 20.3                       | (4.9)               |           |
| Subtotal   | 443.3                      | 446.2                      | 2.9                 |           |
| Assets held for sale                               | 0.0                        | 0.1                        | 0.1                 |           |
| Current assets                                     | 443.4                      | 446.3                      | 3.0                 |           |
| Property, plant and equipment                      | 375.4                      | 372.0                      | (3.3)               |           |
| Right-of-use assets                                | –                          | 47.4                       | 47.4                | *1        |
| Goodwill   | 250.7                      | 247.9                      | (2.8)               |           |
| Intangible assets                                  | 418.6                      | 411.4                      | (7.2)               |           |
| Investments accounted for using the equity method  | 1.2                        | 1.1                        | (0.1)               |           |
| Other financial assets                             | 21.0                       | 17.2                       | (3.8)               |           |
| Deferred tax assets                                | 14.3                       | 14.4                       | 0.1                 |           |
| Other non-current assets                           | 15.0                       | 9.6                        | (5.4)               |           |
| Non-current assets                                 | 1,096.1                    | 1,121.0                    | 24.9                |           |
| Total assets                                       | 1,539.4                    | 1,567.3                    | 27.9                |           |
| Bonds and borrowings                               | 75.4                       | 74.7                       | (0.8)               |           |
| Trade and other payables                           | 303.8                      | 322.5                      | 18.7                |           |
| Other financial liabilities                        | 30.7                       | 38.4                       | 7.7                 |           |
| Accrued income taxes                               | 18.4                       | 18.8                       | 0.4                 |           |
| Provisions   | 2.1                        | 1.5                        | (0.6)               |           |
| Other current liabilities                          | 8.6                        | 6.0                        | (2.6)               |           |
| Current liabilities                                | 439.1                      | 461.9                      | 22.8                |           |
| Bonds and borrowings                               | 195.4                      | 132.7                      | (62.7)              | *2        |
| Other financial liabilities                        | 20.2                       | 45.8                       | 25.6                |           |
| Post-employment benefit liabilities                | 13.3                       | 15.4                       | 2.1                 |           |
| Provisions   | 2.7                        | 2.6                        | (0.1)               |           |
| Deferred tax liabilities                           | 63.5                       | 65.8                       | 2.3                 |           |
| Other non-current liabilities                      | 6.4                        | 5.6                        | (0.8)               |           |
| Non-current liabilities                            | 301.4                      | 267.8                      | (33.6)              |           |
| Total liabilities                                  | 740.5                      | 729.7                      | (10.8)              |           |
| Total equity attributable to owners of the Company | 714.8                      | 756.6                      | 41.7                |           |
| Non-controlling interests                          | 84.1                       | 81.0                       | (3.1)               |           |
| Total equity                                       | 798.9                      | 837.6                      | 38.7                |           |
| Total liabilities and equity                       | 1,539.4                    | 1,567.3                    | 27.9                |           |

\*1 The increase is mainly due to the impact of the application of IFRS No. 16.

\*2 The decrease is mainly due to the transfer from non-current liabilities (long-term borrowings) to current liabilities (current portion of long-term borrowings).

## 5. Summary of Consolidated Statements of Cash Flows

(Billions of yen)

|   | Year ended<br>December 31, 2018 | Year ended<br>December 31, 2019 | Increase (decrease) |
|---|---------------------------------|---------------------------------|---------------------|
| Profit before tax   | 111.8                           | 112.2                           | 0.4                 |
| Depreciation and amortization   | 63.3                            | 71.0                            | 7.7                 |
| Other   | (28.8)                          | (12.6)                          | 16.2                |
| Cash flows from operating activities  | 146.4                           | 170.6                           | 24.2                |
| Payments for capital expenditures   | (56.9)                          | (58.8)                          | (1.9)               |
| Payments for purchase of shares of subsidiaries   | (26.7)                          | (0.9)                           | 25.8                |
| Proceeds from sales of shares of subsidiaries   | 24.2                            | –                               | (24.2)              |
| Other   | 0.9                             | 0.3                             | (0.6)               |
| Cash flows from investing activities  | (58.5)                          | (59.4)                          | (0.8)               |
| Increase (decrease) in interest-bearing debt  | (19.6)                          | (77.3)                          | (57.7)              |
| Dividends paid to owners of the Company   | (23.8)                          | (24.1)                          | (0.3)               |
| Dividends paid to non-controlling interests   | (6.5)                           | (13.6)                          | (7.1)               |
| Other   | (7.0)                           | (0.1)                           | 6.9                 |
| Cash flows from financing activities  | (56.9)                          | (115.2)                         | (58.3)              |
| Net increase (decrease) in cash and cash equivalents  | 30.9                            | (3.9)                           | (34.9)              |
| Effects of exchange rate changes  | (1.7)                           | 1.0                             | 2.7                 |
| Reclassification of cash and cash equivalents included in assets held for sale in the opening balance | 3.4                             | –                               | (3.4)               |

## 6. Other Information

<Sales Volume of Major Brands in Japan Business> \* On the basis of shipment volumes

(Million cases)

|   | Year ended December 31, 2018 |                     | Year ended December 31, 2019 |                     |
|---|------------------------------|---------------------|------------------------------|---------------------|
|   | Actual                       | Increase (decrease) | Actual                       | Increase (decrease) |
| <i>Suntory Tennensui</i>                    | 117.3                        | 9%                  | 113.1                        | (4%)                |
| <i>Boss</i>                                 | 107.9                        | 9%                  | 111.8                        | 4%                  |
| <i>Iyemon</i>                               | 53.7                         | (5%)                | 51.2                         | (5%)                |
| <i>Suntory Oolong Tea</i>                   | 26.5                         | 1%                  | 25.0                         | (6%)                |
| <i>Pepsi</i>                                | 20.2                         | (8%)                | 20.2                         | 0%                  |
| <i>Green DAKARA</i>                         | 37.7                         | 24%                 | 42.3                         | 12%                 |
| FOSHU drinks and Foods with Function Claims | 23.3                         | (10%)               | 23.4                         | 0%                  |
| Total                                       | 462.2                        | 4%                  | 456.5                        | (1%)                |

\* The portions of the sales volume that were supplied from other soft drink manufacturers such as Japan Beverage Holdings Inc. are not included in the above figures.

<Sales Volume of Major Brands in Europe Business>

(Million liters)

|                                    | Year ended December 31, 2018 |                     | Year ended December 31, 2019 |                     |
|------------------------------------|------------------------------|---------------------|------------------------------|---------------------|
|                                    | Actual                       | Increase (decrease) | Actual                       | Increase (decrease) |
| <i>Orangina (France)</i>           | 164                          | 5%                  | 164                          | (0%)                |
| <i>Oasis (France)</i>              | 287                          | 5%                  | 276                          | (4%)                |
| <i>Schweppes (Spain, Portugal)</i> | 132                          | (4%)                | 134                          | 2%                  |
| <i>Lucozade (UK, Ireland)</i>      | 381                          | 3%                  | 406                          | 7%                  |
| <i>Ribena (UK, Ireland)</i>        | 100                          | (4%)                | 86                           | (14%)               |



<Earnings Forecast for the Year Ending December 31, 2020>

**1. Summary of Consolidated Statement of Profit or Loss, Indices, etc.**

(1) Summary of Consolidated Statement of Profit or Loss

(Billions of yen with fractional amounts rounded off)

|   | Year ended<br>December 31, 2019,<br>Actual |                  | Year ending<br>December 31, 2020,<br>Forecast |                  | Increase (decrease) |          |
|---|--|------------------|---|------------------|---------------------|----------|
|   |  | Ratio to revenue |   | Ratio to revenue |                     |          |
| Revenue   | 1,299.4                                    | 100.0%           | 1,338.0                                       | 100.0%           | 38.6                | 3.0%     |
| Gross profit  | 536.1                                      | 41.3%            | 555.5   | 41.5%            | 19.4                | 3.6%     |
| Selling, general and administrative expenses                  | 414.8                                      | 31.9%            | 432.6   | 32.3%            | 17.8                | 4.3%     |
| Gain on investments accounted for using the equity method     | 0.0  | 0.0%             | 0.1   | 0.0%             | 0.1                 | 1,591.6% |
| Other income  | 1.7  | 0.1%             | 1.0   | 0.1%             | (0.7)               | (40.5%)  |
| Other expenses  | 9.0  | 0.7%             | 7.0   | 0.5%             | (2.0)               | (22.6%)  |
| Operating income  | 113.9                                      | 8.8%             | 117.0   | 8.7%             | 3.1                 | 2.7%     |
| Finance income  | 1.4  | 0.1%             | 1.0   | 0.1%             | (0.4)               | (29.9%)  |
| Finance costs   | 3.2  | 0.2%             | 2.5   | 0.2%             | (0.7)               | (21.6%)  |
| Profit before tax   | 112.2                                      | 8.6%             | 115.5   | 8.6%             | 3.3                 | 3.0%     |
| Income tax expense  | 32.1                                       | 2.5%             | 32.5  | 2.4%             | 0.4                 | 1.2%     |
| Profit for the year   | 80.1                                       | 6.2%             | 83.0  | 6.2%             | 2.9                 | 3.6%     |
| Profit for the year attributable to non-controlling interests | 11.2                                       | 0.9%             | 13.0  | 1.0%             | 1.8                 | 16.2%    |
| Profit for the year attributable to owners of the Company     | 68.9                                       | 5.3%             | 70.0  | 5.2%             | 1.1                 | 1.6%     |

## (2) Other Indices

(Billions of yen)

|   |               | Year ended<br>December 31, 2019,<br>Actual |       | Year ending<br>December 31, 2020,<br>Forecast |       | Increase (decrease) |      |
|---|---------------|--|-------|---|-------|---------------------|------|
| Depreciation  |               | 71.0                                       |       | 73.0  |       | 2.0                 | 2.8% |
| Operating income  |               | 113.9                                      |       | 117.0   |       | 3.1                 | 2.7% |
| Profit for the year attributable to owners of the Company |               | 68.9                                       |       | 70.0  |       | 1.1                 | 1.6% |
| EBITDA *1   | EBITDA margin | 192.3                                      | 14.8% | 196.0   | 14.6% | 3.7                 | 1.9% |

\*1 EBITDA is calculated as operating income - other income + other expenses + depreciation.

|                          |        |        |      |      |
|--------------------------|--------|--------|------|------|
| EPS (Yen)                | 222.94 | 226.54 | 3.60 | 1.6% |
| Operating margin         | 8.8%   | 8.7%   |      |      |
| ROE                      | 9.4%   | 8.9%   |      |      |
| Dividend payout ratio *2 | 35.0%  | 34.4%  |      |      |

\*2 Dividend payout ratio for each year is calculated by dividing, for each year, total cash dividends by profit attributable to owners of the Company.

(Billions of yen)

|                      | As at December 31, 2019<br>Actual | As at December 31, 2020<br>Forecast | Increase (decrease) |        |
|----------------------|-----------------------------------|-------------------------------------|---------------------|--------|
| Total assets         | 1,567.3                           | 1,577.5                             | 10.2                | 0.6%   |
| Total equity         | 837.6                             | 884.9                               | 47.3                | 5.7%   |
| Capital expenditures | 81.5                              | 73.4                                | (8.1)               | (9.9%) |
| D/E ratio (Times) *3 | 0.1                               | 0.1                                 |                     |        |

\*3 D/E ratio is calculated as (interest-bearing debt - cash and deposits ± valuation difference from adopting hedge accounting, etc.) / total equity

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

(Yen, average exchange rate)

|     | Year ended<br>December 31, 2019,<br>Actual | Year ending<br>December 31, 2020,<br>Forecast |
|-----|--|---|
| USD | 109.0                                      | 109.0   |
| EUR | 122.1                                      | 122.0   |
| GBP | 139.2                                      | 143.0   |
| SGD | 80.0                                       | 81.0  |
| THB | 3.5  | 3.6   |
| VND | 0.0047                                     | 0.0047  |
| NZD | 71.9                                       | 73.0  |
| AUD | 75.8                                       | 76.0  |

## 2. Revenue Details

(Billions of yen)

|                     | Year ended<br>December 31, 2019,<br>Actual | Year ending<br>December 31, 2020,<br>Forecast | Increase (decrease) |       | Increase<br>(decrease)<br>currency<br>neutral | Reference |
|---------------------|--|---|---------------------|-------|---|-----------|
| Japan               | 704.3                                      | 713.0   | 8.7                 | 1.2%  | –   |           |
| Europe              | 222.5                                      | 226.0   | 3.5                 | 1.6%  | 0.9%  |           |
| Asia                | 231.7                                      | 255.0   | 23.3                | 10.1% | 9.2%  |           |
| Oceania             | 53.2                                       | 54.0  | 0.8                 | 1.4%  | 0.6%  |           |
| Americas            | 87.8                                       | 90.0  | 2.2                 | 2.6%  | 2.6%  |           |
| Reconciliations     | –  | –   | –                   | –     | –   |           |
| Consolidation total | 1,299.4                                    | 1,338.0                                       | 38.6                | 3.0%  | 2.7%  |           |

## 3. Profit Details

### (1) EBITDA

(Billions of yen)

|                     | Year ended<br>December 31, 2019,<br>Actual | Year ending<br>December 31, 2020,<br>Forecast | Increase (decrease) |        | Increase<br>(decrease)<br>currency<br>neutral | Reference |
|---------------------|--|---|---------------------|--------|---|-----------|
| Japan               | 94.3                                       | 94.0  | (0.3)               | (0.3%) | –   |           |
| Europe              | 47.7                                       | 47.5  | (0.2)               | (0.5%) | (1.2%)  |           |
| Asia                | 37.7                                       | 41.0  | 3.3                 | 8.7%   | 7.6%  |           |
| Oceania             | 9.0  | 9.5   | 0.5                 | 5.5%   | 4.8%  |           |
| Americas            | 12.4                                       | 13.0  | 0.6                 | 4.8%   | 4.8%  |           |
| Reconciliations     | (8.8)                                      | (9.0)   | (0.2)               | –      | –   | *1        |
| Consolidation total | 192.3                                      | 196.0   | 3.7                 | 1.9%   | 1.5%  |           |

\*1 “Reconciliations” to segment profit represents overhead costs incurred by the Company to manage the Group’s operations and is not allocated to each reportable segment.

## (2) Segment Profit

(Billions of yen)

|                     | Year ended<br>December 31, 2019,<br>Actual | Year ending<br>December 31, 2020,<br>Forecast | Increase (decrease) |       | Increase<br>(decrease)<br>currency<br>neutral | Reference |
|---------------------|--|---|---------------------|-------|---|-----------|
| Japan               | 53.5                                       | 54.0  | 0.5                 | 1.0%  | –   |           |
| Europe              | 33.0                                       | 34.0  | 1.0                 | 3.0%  | 2.1%  |           |
| Asia                | 25.2                                       | 28.0  | 2.8                 | 11.2% | 9.4%  |           |
| Oceania             | 6.1  | 6.5   | 0.4                 | 5.9%  | 5.4%  |           |
| Americas            | 8.2  | 9.0   | 0.8                 | 9.2%  | 9.3%  |           |
| Reconciliations     | (12.1)                                     | (14.5)  | (2.4)               | –     | –   | *2        |
| Consolidation total | 113.9                                      | 117.0   | 3.1                 | 2.7%  | 2.0%  |           |

\*2 “Reconciliations” to segment profit represents overhead costs incurred by the Company to manage the Group’s operations and is not allocated to each reportable segment.

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

(Billions of yen)

|  |       |
|--|-------|
| Segment profit for the year ended December 31, 2019, Actual    | 53.5  |
| Increase in revenue  | 8.7   |
| Increase in cost of goods sold                                 | (0.3) |
| Increase in sales promotion and advertising costs              | (4.5) |
| Increase in other expenses                                     | (3.4) |
| Segment profit for the year ending December 31, 2020, Forecast | 54.0  |

#### 4. Other Information

<Sales Volume of Major Brands in Japan Business> \* On the basis of shipment volumes

(Million cases)

|   | Year ended December 31, 2019 |                     | Year ending December 31, 2020 |                     |
|---|------------------------------|---------------------|-------------------------------|---------------------|
|   | Actual                       | Increase (decrease) | Forecast                      | Increase (decrease) |
| <i>Suntory Tennensui</i>                    | 113.1                        | (4%)                | 116.5                         | 3%                  |
| <i>Boss</i>                                 | 111.8                        | 4%                  | 112.0                         | 0%                  |
| <i>Iyemon</i>                               | 51.2                         | (5%)                | 55.0                          | 7%                  |
| <i>Suntory Oolong Tea</i>                   | 25.0                         | (6%)                | 23.5                          | (6%)                |
| <i>Pepsi</i>                                | 20.2                         | 0%                  | 20.2                          | 0%                  |
| <i>Green DAKARA</i>                         | 42.3                         | 12%                 | 44.5                          | 5%                  |
| FOSHU drinks and Foods with Function Claims | 23.4                         | 0%                  | 24.3                          | 4%                  |
| Total                                       | 456.5                        | (1%)                | 459.0                         | 1%                  |

\* The portions of the sales volume supplied from other soft drink manufacturers such as Japan Beverage Holdings Inc. are not included in the above figures.