



Acquisition of Lucozade and Ribena Business from GlaxoSmithKline plc

September 9, 2013

Suntory Beverage & Food Ltd.

Transaction Structure

Acquisition of Lucozade and Ribena brands and related assets (the “Target”) from GlaxoSmithKline plc (“GSK”)

➤ Coleford plant, distribution platform including sales force, trademarks, etc.

Acquisition Value and Fundraising

Up to GBP1.35Bn (approx. JPY 210.6Bn) to be financed by cash reserves

Exchange rate: 1GBP=JPY156

Completion

To be at the end of December 2013

※Subject to change

Financial Results of Target

Sales in 2012: approx. GBP510MM (approx. JPY79.7Bn)

※Exchange rate: 1GBP=JPY156

<Our Goal>

To be the leading global soft drink company recognized for our premium and unique brands (Sales target of JPY 2Tn in 2020)

<Growth Strategy>

Further growth and profitability improvement in existing business

- Reinforce focus brands and operational bases

Accelerated growth via M&A

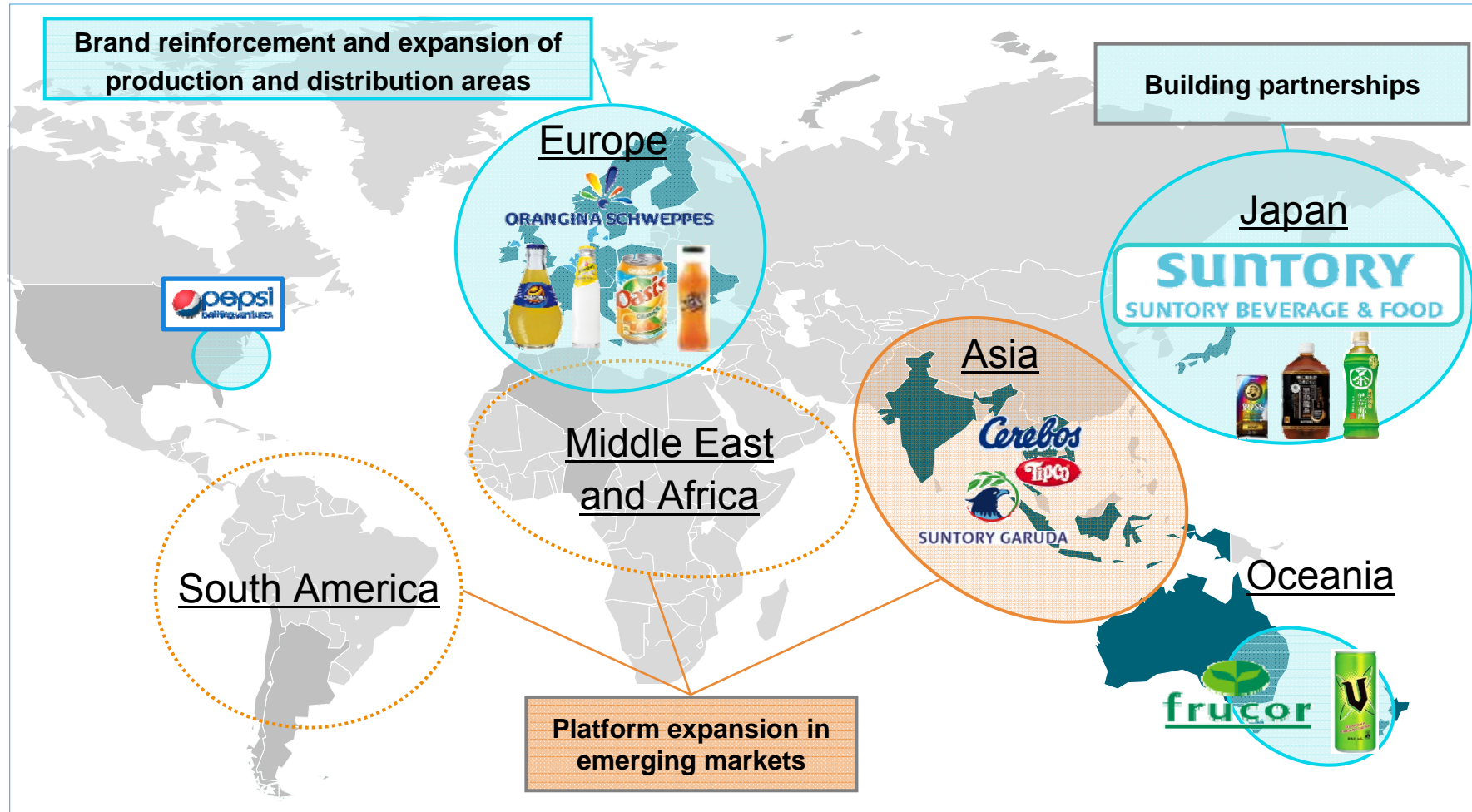
- Upgrade brand portfolio
- Reinforce and expand operational bases
- Achieve synergies as a globally integrated group



SBF's M&A Strategy

Strengthen operational base to enhance profitability

Expand footprint in emerging markets



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<Transaction Rationale>

Scarce opportunity which perfectly matches our growth strategy

◆ Acquire premium brands matching SBF's portfolio strategy

- Lucozade: No.1 share in the UK energy/sports drinks markets
- Ribena: No.4 share in the UK fruit juice/concentrate juice drinks markets

◆ Upgrade and expand operational bases in strategic areas

- Europe: Acquire platform in UK, one of the key markets in Europe.
Accelerate growth by collaboration with existing European business.
- Africa: Strengthen market penetration in African markets
- SE Asia: Accelerate growth by integrated platform of Malaysia etc.

◆ Achieve synergies with existing businesses in Europe/Asia

- Bottom Line: Achieve cost synergies in procurement, production, logistics and other back-office functions
- Top Line: Gain opportunities for further growth through cross-launch of Suntory brands etc. in mid-term

Expand "Premium Brand" & "Operations in Key Areas"

- Global sales in 2012 of JPY79.7Bn ⁽¹⁾

Acquisition of Premium Brands

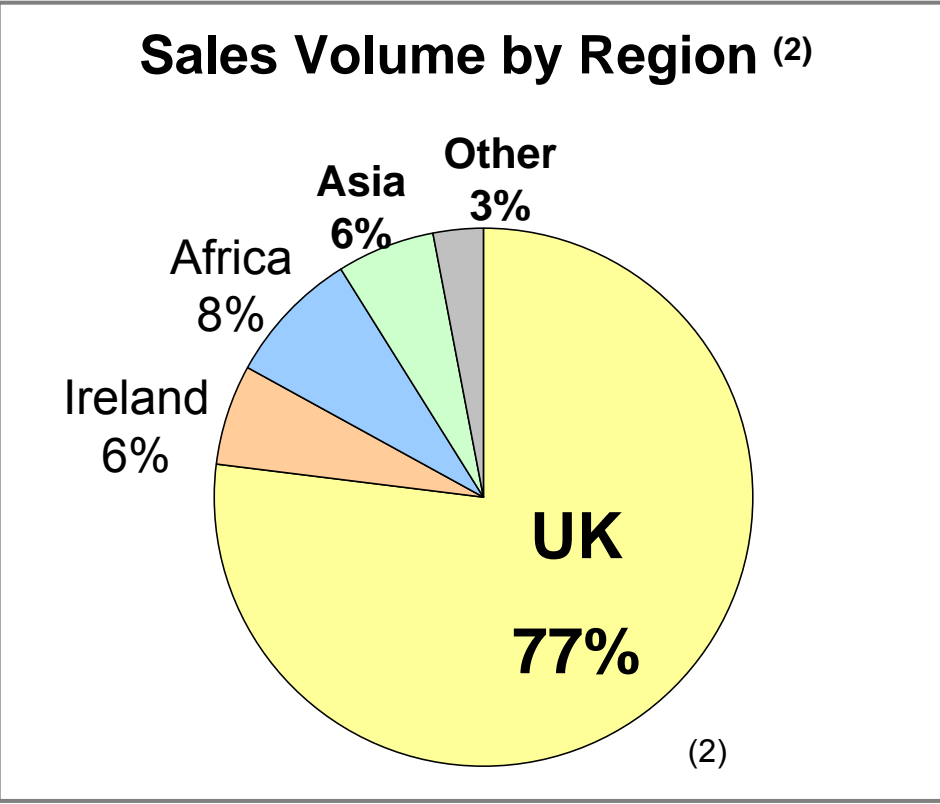
Lucozade

(Energy and Sports)

Ribena

(Juice and Concentrates)

Operation in UK and Other Markets



Note 1 Exchange rate: 1GBP=JPY156

Note 2 Euromonitor, 2012CY, Off-Trade Volume

Lucozade (Lucozade)

- Long-selling energy/sports drink with a rich history launched in 1927
- Strong global presence centered in UK

<Product Portfolio>

Energy Drink

Sports Drink



Ribena (Ribena)

- Fruit juice drink launched in UK in 1938 with famous blackcurrant flavor
- Wide lineup including concentrate, low-calorie and RTD types

<Product Portfolio>

Concentrate

RTD

Low Calorie



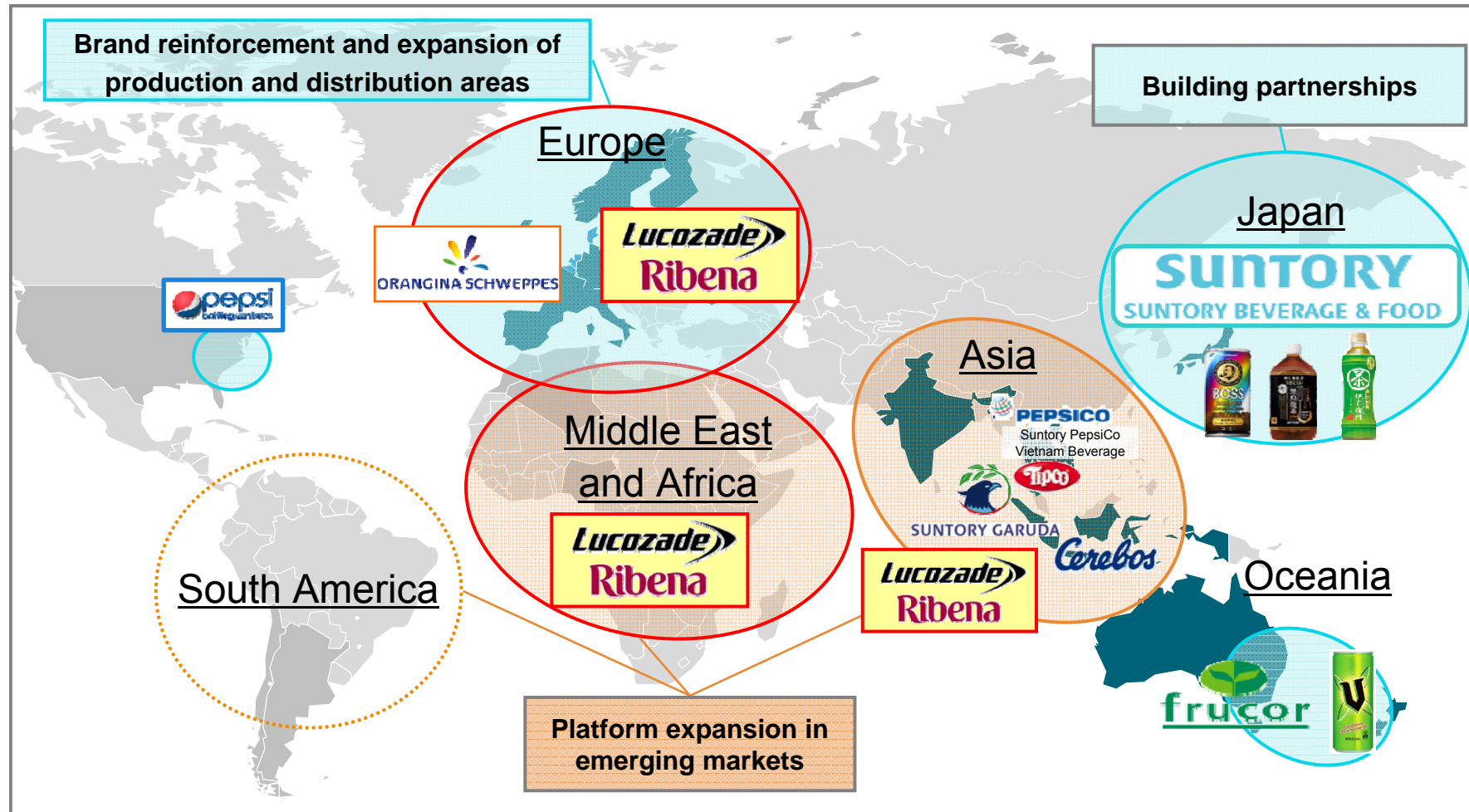
Constant Innovation to Capture Consumer Needs



Expanding Platform in Strategic Areas

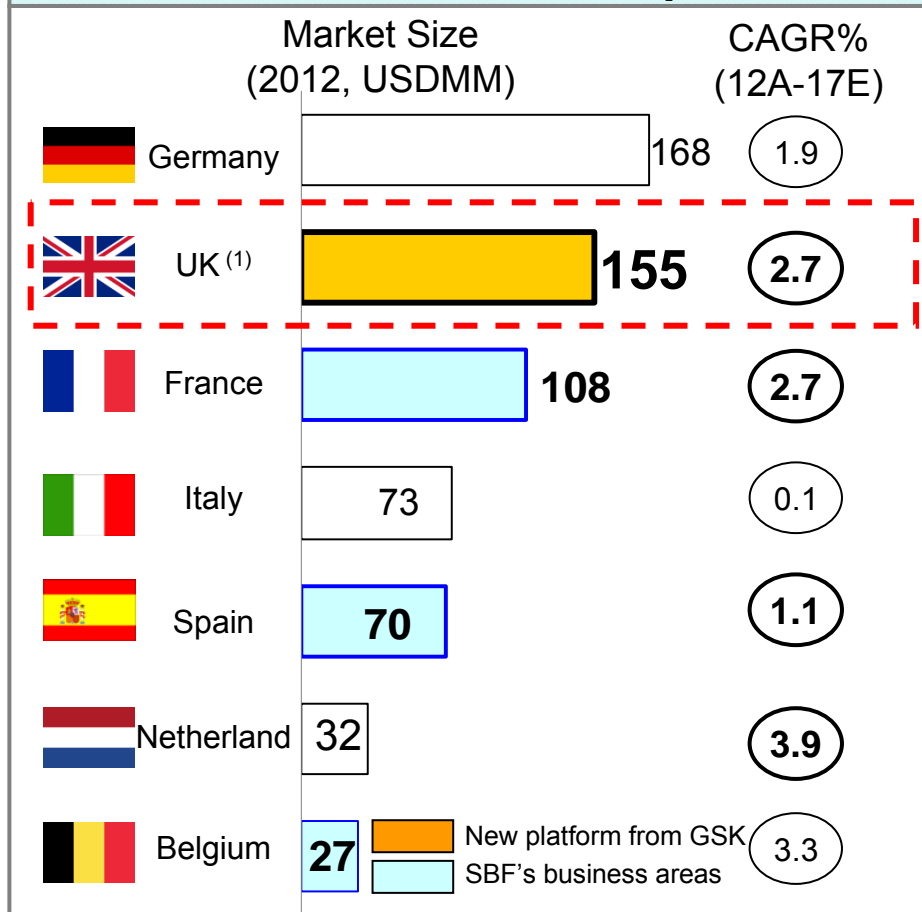
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Expand footprint in emerging markets



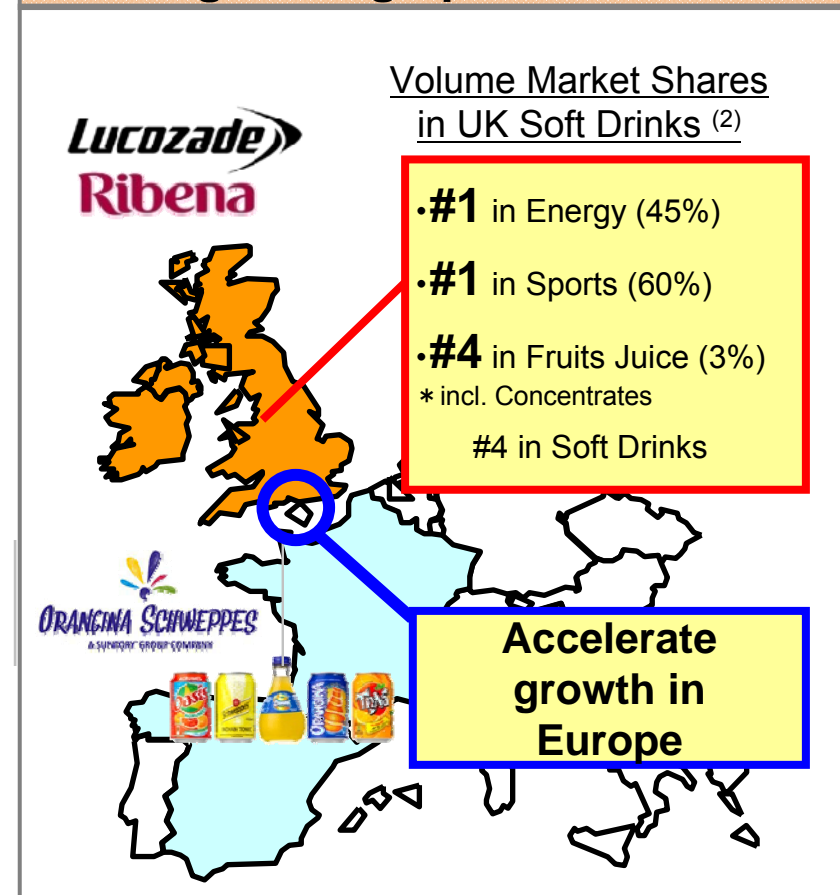
Accelerate Growth in Europe by Acquiring UK Platform

UK: 2nd Largest Drink Market in Western Europe



Source: Euromonitor (Off-trade Value RSP, on a basis of YoY exchange rate)
Note 1. Including Ireland

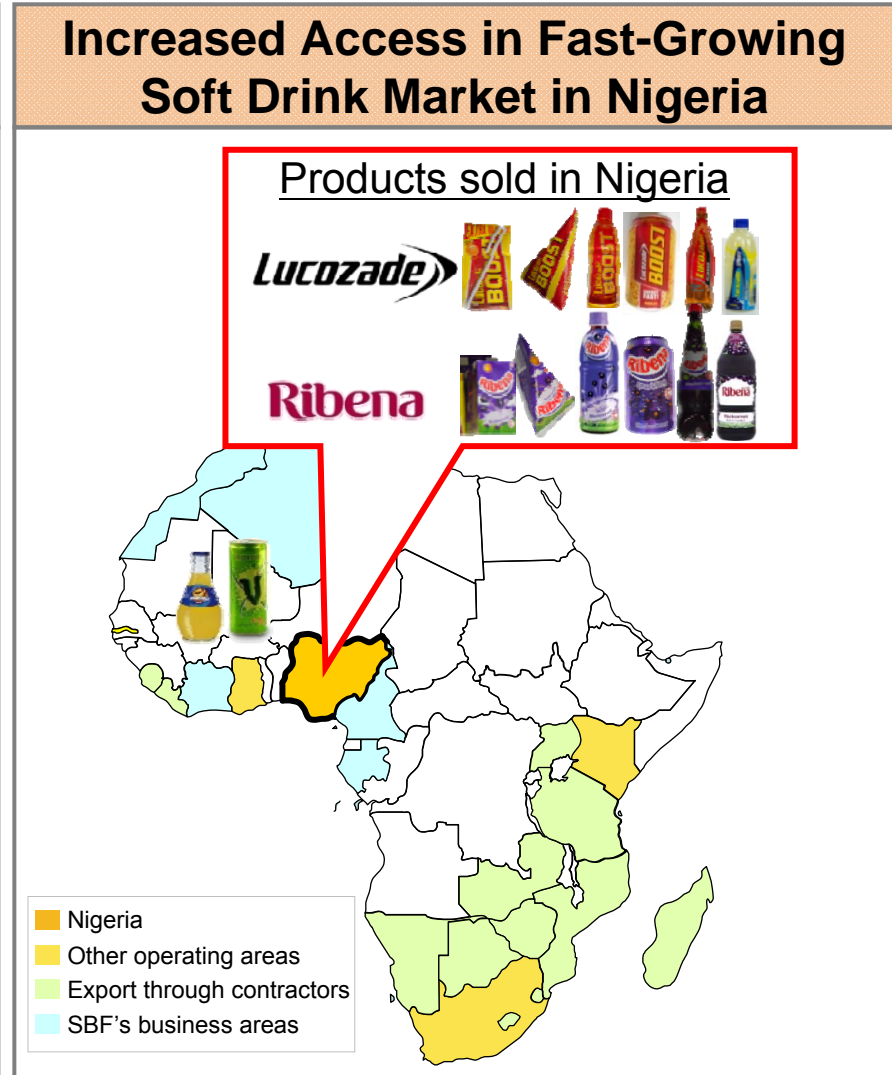
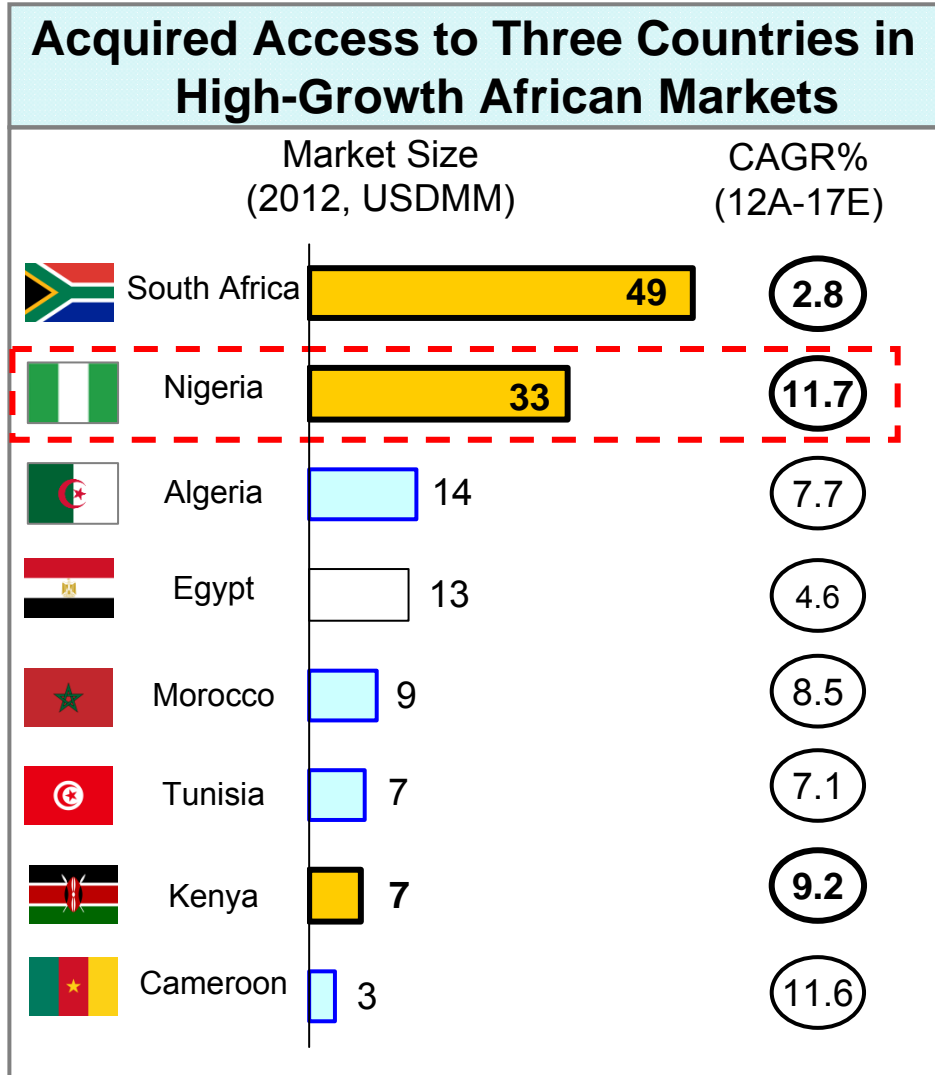
Improve growth in Europe by strengthening operational base



Source: Euromonitor

Note 2. Total of household drink consumption in CY2012 on a volume basis. Expected market growth is represented by CAGR 2012 – 2017. Energy drink and sports drinks are in the same category

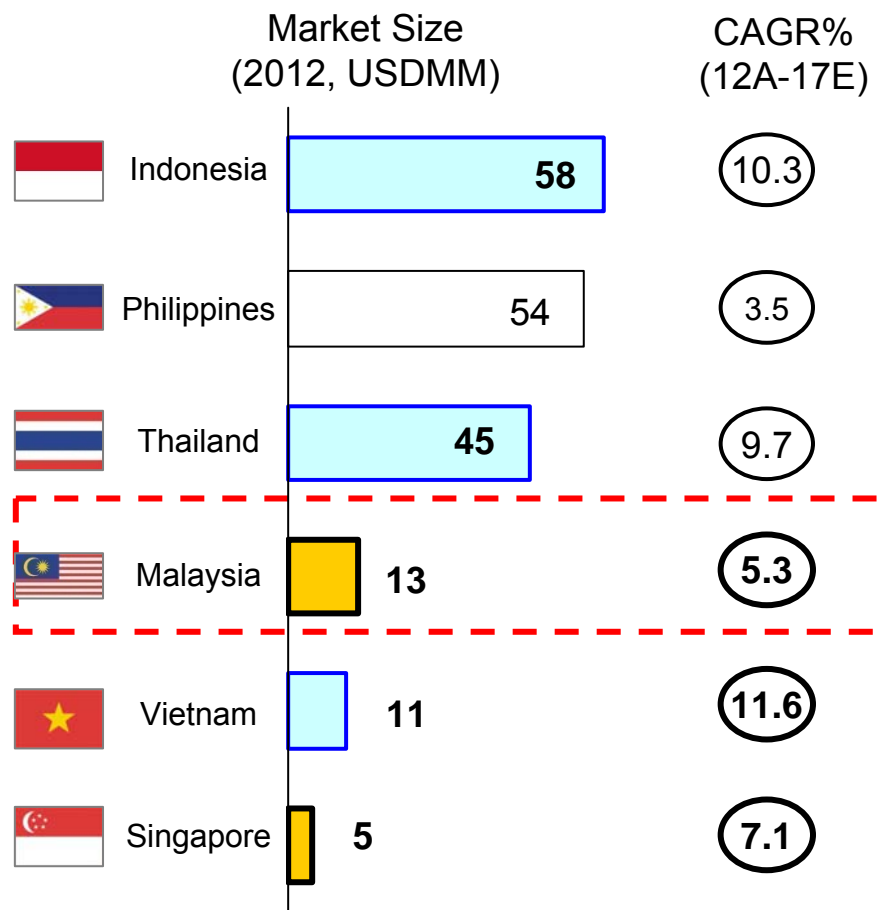
Improved Penetration to Fast-Growing African Market



Source: Euromonitor (Off-trade Value RSP)
Note 1 YoY exchange rate basis

Accelerated Synergies in SE Asia with Expanded Operations

Expand Southeast Asian platform through newly entered Malaysian market etc.



Source: Euromonitor (Off-trade Value RSP)
Note 1 YoY exchange rate basis

Accelerate Synergy Realization in both existing and new markets in Southeast Asia

- Expand sales of acquired brands through SBF's platform
- Achieve cost synergies by integrating back-office





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