English Translation

SUNTORY
SUNTORY BEVERAGE & FOOD

November 4, 2015

Summary of Consolidated Financial Results for the First Nine Months of the Fiscal Year Ending December 31, 2015 <under Japanese GAAP> (UNAUDITED)

Company name:	**Suntory Beverage & Food Limited**
Shares listed:	First Section, Tokyo Stock Exchange
Securities code:	2587
URL:	http://www.suntory.com/sbf/
Representative:	Nobuhiro Torii, President
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Scheduled date to file quarterly securities report:	November 13, 2015
Scheduled date to commence dividend payments:	–
Preparation of supplementary material on quarterly financial results:	Yes
Holding of quarterly financial results presentation meeting (for institutional investors and analysts):	Yes

(Millions of yen with fractional amounts discarded, unless otherwise noted)

1. Consolidated financial results for the first nine months of the fiscal year ending December 31, 2015 (from January 1, 2015 to September 30, 2015)

(1) Consolidated operating results

(Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
Nine months ended	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
September 30, 2015	1,020,964	8.5	69,875	7.8	61,643	(1.2)	38,618	25.2
September 30, 2014	940,686	12.4	64,818	24.1	62,380	28.6	30,837	25.8

Note: Comprehensive income
For the nine months ended September 30, 2015: ¥5,446 million [(84.2)%]
For the nine months ended September 30, 2014: ¥34,557 million [(46.9)%]

Reference: EBITDA
For the nine months ended September 30, 2015: ¥129.8 billion [7.6%]
For the nine months ended September 30, 2014: ¥120.6 billion [19.4%]
For the definition of EBITDA, its calculation method, etc., refer to “Segment information, etc.” on page 10
Net income before amortization of goodwill
For the nine months ended September 30, 2015: ¥58.2 billion [17.4%]
For the nine months ended September 30, 2014: ¥49.6 billion [18.8%]

	Net income per share	Diluted net income per share
Nine months ended	(Yen)	(Yen)
September 30, 2015	124.98	–
September 30, 2014	99.80	–

(2) Consolidated financial position

	Total assets	Total equity	Shareholders' equity ratio
As of	(Millions of yen)	(Millions of yen)	(%)
September 30, 2015	1,542,532	628,383	37.9
December 31, 2014	1,389,096	635,624	42.9

Reference: Shareholders' equity (Equity excluding minority interests)
As of September 30, 2015: ¥584,581 million As of December 31, 2014: ¥595,377 million

2. Dividends

	Annual cash dividends				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)
Fiscal year ended December 31, 2014	–	29.00	–	31.00	60.00
Fiscal year ending December 31, 2015	–	33.00	–		
Fiscal year ending December 31, 2015 (Forecasts)				33.00	66.00

Note: Revisions to the forecasts of dividends most recently announced: None

3. Consolidated earnings forecasts for the fiscal year ending December 31, 2015 (from January 1, 2015 to December 31, 2015)

(Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Yen)
Fiscal year ending December 31, 2015	1,360,000	8.2	92,000	7.0	83,000	0.9	42,000	15.9	135.92

Note: Revisions to the earnings forecasts most recently announced: Yes
Reference: EBITDA
For the fiscal year ending December 31, 2015 (forecast): ¥174.0 billion [8.0%]
Net income before amortization of goodwill
For the fiscal year ending December 31, 2015 (forecast): ¥69.5 billion [13.3%]

* Notes

(1) Changes in significant subsidiaries during the nine months ended September 30, 2015 (changes in specified subsidiaries resulting in the change in scope of consolidation): Yes
Newly consolidated: 1 company (Name: Japan Beverage Holdings Inc.)

(2) Application of specific accounting for preparing quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections

a.	Changes in accounting policies due to revisions to accounting standards and other regulations:	Yes
b.	Changes in accounting policies due to other reasons:	None
c.	Changes in accounting estimates:	None
d.	Restatement of prior period financial statements after error corrections:	None

(4) Number of issued shares (common stock)

a. Total number of issued shares at the end of the period (including treasury stock)

As of September 30, 2015	309,000,000 shares
As of December 31, 2014	309,000,000 shares

b. Number of treasury shares at the end of the period

As of September 30, 2015	– shares
As of December 31, 2014	– shares

c. Average number of outstanding shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended September 30, 2015	309,000,000 shares
Nine months ended September 30, 2014	309,000,000 shares

*** Indication regarding execution of quarterly review procedures**

The quarterly review pursuant to the Financial Instruments and Exchange Act does not apply to this quarterly financial results report. At the time of disclosure of this quarterly financial results report, the review procedures for quarterly consolidated financial statements pursuant to the Financial Instruments and Exchange Act have not been completed.

*** Proper use of earnings forecasts, and other special matters**

The earnings forecasts contained in these materials are based on our judgment attributable to information available to the Company and the Group as of the date of announcement of these materials, and include certain risks and uncertainties. These statements are not intended as a promise by the Company to achieve such results. Actual business results may differ substantially due to various factors such as economic situation surrounding the Company and the Group, market trend, exchange rates and other factors.

Attached Materials

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1. Qualitative Information Regarding Settlement of Accounts for the First Nine Months

(1) Operating results

In the first nine months of the fiscal year ending December 31, 2015 (from January 1, 2015 to September 30, 2015), there was a gradual recovery in the global economy overall despite continuing uncertainty in the environment. In Japan, the economy continued to follow a path of gradual recovery, exhibiting such signs as firm consumer spending.

Amid these circumstances, the Suntory Beverage & Food Limited Group (the Group) strived to grow both its Japanese and overseas businesses further through brand reinforcement and new demand creation under its philosophy of proposing premium and unique products that match the tastes and needs of consumers, and enriching consumers' lives. By utilizing the expertise of each company, the Group also worked to improve quality of products throughout the group and to strengthen earning capacity through cost reductions.

In the Japan segment, in addition to reinforcing core brands with a focus on the *Suntory Tennensui* range and *Boss* coffee range, the Group launched products with new value such as *Lemongina* and *Suntory Minami-Alps Tennensui & Yogurina*, and strengthened high-value-added products such as *Iyemon Tokucha* and *Suntory Black Oolong Tea* as part of efforts to create new demand.
In the overseas segment, the Group further reinforced core brands and reduced costs in each area. In Europe, the Group worked to create a more effective management information infrastructure to promote the creation of synergy through cooperation between Orangina Schweppes Group and Lucozade Ribena Suntory Group. Furthermore, in Asia, the Group worked to strengthen its sales and production structures.

Moreover, as stated in "Notice Concerning Recording of Extraordinary Income (Gain on Step Acquisitions) and Impairment Losses," disclosed on November 4, the Company has recorded extraordinary income from evaluation gain arising from the revaluation of shares owned by the Company's subsidiaries before the additional acquisition of shares of Japan Beverage Holdings Inc. Also, the Company has recorded extraordinary loss from impairment loss on goodwill, etc. relating to its subsidiary in Indonesia, and recorded non-operating expenses from equity in losses of affiliates arising from impairment loss relating to its affiliate.

As a result of the above, for the operating results of the first nine months of the fiscal year under review, the Group reported consolidated net sales of ¥1,021.0 billion, up 8.5% year on year, operating income of ¥69.9 billion, up 7.8%, ordinary income of ¥61.6 billion, down 1.2% and net income of ¥38.6 billion, up 25.2%.

Results by segment are as follows:

< Japan segment >
In the *Suntory Tennensui* range, the Group promoted the brand's original value by emphasizing its qualities of "clear & tasty" and "natural & healthy." Sales of *Suntory Minami-Alps Tennensui Sparkling* and the brand's flavored water variety, *Suntory Minami-Alps Tennensui & Asa-zumi Orange*, were strong, and *Suntory Minami-Alps Tennensui & Yogurina*, which was launched in April, also contributed to sales. As a result, sales volume for the range as a whole grew significantly.
In the *Boss* coffee range, the Group carried out renewals of core products *Premium Boss*, *Rainbow Mountain Blend*, *Zeitaku Bito*, *Muto Black* and *Café au Lait*. In addition, *Premium Boss Black* and *Premium Boss Bito* launched in the bottle-shaped canned coffee market, which is showing striking growth, performed strongly. As a result, sales volume for the range as a whole grew considerably.
In the *Iyemon* range, although the sales volume for the range as a whole fell year on year, the FOSHU (a Food for Specified Health Uses) green tea *Iyemon Tokucha* continued to sell strongly. In addition, *Iyemon,* which is pioneering new proposals for adjusting flavors to suit the season and the changes to consumer drinking styles and scenes, was well received by consumers.
In the *Pepsi* range, although the sales volume fell year on year, in June, the Group newly launched *Pepsi Strong Zero* and *Pepsi Strong*, and received favorable receptions from consumers.
The sales volume of the *Suntory Oolong Tea* range fell year on year, despite continued marketing

activities.
The sales volume of the *Green DAKARA* range rose year on year overall with steady sales for the barley tea *Green DAKARA Yasashii Mugicha*, which was renewed in June. In the *Orangina* range, the launch of *Lemongina*, which was jointly developed with Orangina Schweppes Group, also contributed to sales results and the sales volume for the range as a whole grew significantly.

The Company made a contribution to market expansion of FOSHU drink products, which are attracting attention on the back of increasing health consciousness, and is establishing a strong position in this market. In addition to *Iyemon Tokucha*, which continued to sell strongly, *Suntory Black Oolong Tea*, for which the contents and packaging were renewed in March, also sold strongly. In addition, a *Boss Black* bottle-shaped canned coffee, which is a FOSHU coffee realizing the level of deliciousness that people expect from a black-type canned coffee of the *Boss* brand, was launched in August. The total sales volume of FOSHU drink products including *Suntory Goma Mugicha* and *Pepsi Special* rose considerably year on year.

The Group's initiatives to improve profitability consisted of not only strengthening sales of high-value-added products such as FOSHU drink products and small-size format products such as 500 ml PET bottles, but also continuing to reduce manufacturing costs by such means as introducing bottle-shaped canned coffee manufacturing facilities. On the other hand, the Group incurred costs from a temporary stoppage in shipment caused by supply-demand imbalances for *Lemongina* and *Suntory Minami-Alps Tennensui & Yogurina*, and from aggressive marketing activities. The Group is working to establish a stable supply system through such efforts as introducing a new manufacturing line at the Suntory Tennensui Minami-Alps Hakushu Plant, which started operating in May.

Furthermore, on July 31, Japan Beverage Group and JT A-Star Group newly joined the Group. With the start of the "full-line beverage service business" that satisfies a wide range of consumer needs, the Group is aiming to achieve further growth.

As a result of the above, the Japan segment reported a year-on-year increase in net sales and a year-on-year decrease in segment profit, as shown below.

Japan segment net sales: ¥593.5 billion (up 8.5% year on year)
Japan segment profit: ¥34.0 billion (down 4.0% year on year)

< Overseas segment >
In Europe, aggressive marketing activities were conducted centering on core brands such as *Orangina*, *Schweppes*, *Lucozade* and *Ribena*. In France, the Group worked on realizing innovation in brand communication such as by carrying out new advertising activities for *Orangina*. In Spain, sales continued to be strong after the start of cooperation with PepsiCo, Inc. in the area of sales in the on-premise market, which the Group has been concentrating on. In the UK, the Group carried out a campaign synchronized to the Rugby World Cup for *Lucozade Sport*, the official sports drink for the English Rugby Team and other teams. Furthermore, with the aim of accelerating growth in Europe as a whole, the Group not only carried out cost reductions but also continued work to optimize its business foundation and create synergy.
In Asia, although the unstable economic environment continued to affect its business, the Group worked to strengthen its business foundation and conducted marketing activities centering on core brands in each country. In the health food business, in Thailand, the Group conducted promotions to celebrate the 180th anniversary of the launch of *BRAND'S Essence of Chicken*. In the beverage business, a tough business environment continued in some areas such as in Indonesia, where the business was affected by economic slowdown. In Vietnam, however, the Group continued to achieve significant growth in sales by implementing initiatives such as expanding the areas where Suntory brands are on sale and strengthening production structures. Sales were also strong in areas including Malaysia, where the Group established new sales structures.
In Oceania, in addition to vitalizing its mainstay energy drink *V*, the Frucor Group worked to expand sales by launching new products and conducting aggressive marketing activities for the Suntory brand product *OVI*.
In the Americas, the Group improved business efficiency by such means as carrying out initiatives to integrate distribution bases, and further promoted PepsiCo brand products, focusing on the state

of North Carolina.

In addition to activities to expand sales in each area, the Group strove to further improve quality and strengthen earning capacity by sharing the R&D technology and knowhow for the reduction of costs among all Group companies.

As a result of these activities, the overseas segment reported year-on-year increases in both net sales and segment profit, as shown below.

Overseas segment net sales: ¥427.4 billion (up 8.6% year on year)
Overseas segment profit: ¥57.0 billion (up 18.3% year on year)

(2) Financial position

Total assets as of September 30, 2015 stood at ¥1,542.5 billion, an increase of ¥153.4 billion compared to December 31, 2014. The main factor was the increase in intangible fixed assets such as goodwill resulting from the Company acquiring shares of Japan Beverage Holdings Inc. and JT A-Star Co., Ltd., etc. from Japan Tobacco Inc., and these companies being newly included in scope of consolidation on July 31.

Total liabilities stood at ¥914.1 billion, an increase of ¥160.7 billion compared to December 31, 2014. The increase was mainly due to an increase in interest-bearing debt associated with the execution of borrowings to procure the funds for acquiring the aforementioned shares and other items.

Equity stood at ¥628.4 billion, a decrease of ¥7.2 billion compared to December 31, 2014. This was due in part to a decrease in retained earnings resulting from payments of cash dividends and a decrease in foreign currency translation adjustments, despite an increase in retained earnings resulting from the recording of net income.

(3) Consolidated earnings forecasts and other forward-looking statements

After taking into consideration of such factors as the effect of acquisitions of the shares of Japan Beverage Holdings Inc. and JT A-Star Co., Ltd., and beverage brands, etc. from Japan Tobacco Inc. on July 31 and the impairment loss related to the beverage business in Indonesia, we have revised the consolidated earnings forecasts for the fiscal year ending December 31, 2015, which were announced on February 13, 2015, as follows.

	Net sales	Operating income	Ordinary income	Net income	Net income per share
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Yen)
Previous forecasts (A)	1,300,000	92,000	88,000	42,000	135.92
Revised forecasts (B)	1,360,000	92,000	83,000	42,000	135.92
Change in amount (B–A)	60,000	–	(5,000)	–	–
Change (%)	4.6	–	(5.7)	–	–
(Reference) Actual results for the fiscal year ended December 31, 2014	1,257,280	85,949	82,272	36,239	117.28

<Reference> EBITDA

For the fiscal year ending December 31, 2015 (forecast): Revised forecast ¥174.0 billion (previous forecast ¥170.0 billion)

Net income before amortization of goodwill

For the fiscal year ending December 31, 2015 (forecast): Revised forecast ¥69.5 billion (previous forecast ¥67.0 billion)

As described in the Company's news release "Notice Concerning Voluntary Application of International Financial Reporting Standards (IFRS)" disclosed on November 4, 2015, the Company has decided to voluntarily apply the International Financial Reporting Standards (IFRS) beginning from the fiscal year ending December 31, 2017 and disclose its financial results based on IFRS effective from the time that the year-end financial results for the fiscal year are announced.

2. Matters Regarding Summary Information (Notes)

(1) Changes in significant subsidiaries during the nine months ended September 30, 2015

The Company acquired shares of Japan Beverage Holdings Inc. and included the company in the scope of consolidation during the first nine months ended September 30, 2015.

(2) Application of specific accounting for preparing quarterly consolidated financial statements

No items to report

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections

(Application of the Accounting Standard for Retirement Benefits and its Guidance)

For the "Accounting Standard for Retirement Benefits" (ASBJ Statement No. 26, May 17, 2012) and the "Guidance on the Accounting Standard for Retirement Benefits" (ASBJ Guidance No. 25, March 26, 2015), the Company has additionally applied the provisions specified under the main clause of Section 35 of the Accounting Standard for Retirement Benefits and the main clause of Section 67 of the Guidance on the Accounting Standard for Retirement Benefits from the first quarter ended March 31, 2015 and reviewed its calculation method of retirement benefit obligations and current service cost. Accordingly, the Company changed the method of attributing expected benefit to periods from the straight-line basis to the benefit formula basis. In addition, the Company changed the method for determining the bond maturity that forms the basis for determining the discount rate from a method that is based on a period approximate to the average remaining working lives of employees to one that uses different discount rates set according to each estimated timing of benefit payment.

The application of the Accounting Standard for Retirement Benefits and its Guidance by the Company is subject to the tentative treatment provided for in Section 37 of the Accounting Standard for Retirement Benefits. Consequently, the effects of the changes in the calculation method of retirement benefit obligations and current service cost were recognized in retained earnings as of the beginning of the first nine months ended September 30, 2015.

As a result, as of the beginning of the first nine months ended September 30, 2015, net defined benefit asset increased by ¥826 million, net defined benefit liability decreased by ¥4,361 million, and retained earnings increased by ¥3,326 million. The impact from this on operating income, ordinary income and income before income taxes and minority interests of the first nine months ended September 30, 2015 is immaterial.

3. Quarterly Consolidated Financial Statements (Unaudited)

(1) Consolidated balance sheets

(Millions of yen)

	As of December 31, 2014	As of September 30, 2015
Assets		
Current assets		
Cash and deposits	105,520	110,144
Notes and accounts receivable-trade	152,476	171,699
Merchandise and finished goods	42,254	52,861
Work in process	3,553	7,027
Raw materials and supplies	29,079	28,739
Other	53,916	61,311
Allowance for doubtful accounts	(354)	(331)
Total current assets	386,446	431,451
Noncurrent assets		
Property, plant, and equipment	339,100	347,369
Intangible fixed assets		
Goodwill	381,760	465,408
Trademarks	199,899	192,684
Other	41,798	68,621
Total intangible fixed assets	623,458	726,715
Investments and other assets		
Investment securities	19,277	9,117
Other	20,468	27,937
Allowance for doubtful accounts	(468)	(522)
Total investments and other assets	39,277	36,532
Total noncurrent assets	1,001,836	1,110,616
Deferred assets	813	463
Total	1,389,096	1,542,532

(Millions of yen)

	As of December 31, 2014	As of September 30, 2015
Liabilities		
Current liabilities		
Notes and accounts payable-trade	111,612	138,901
Electronically recorded obligations-operating	11,990	18,798
Short-term borrowings	54,688	111,496
Lease obligations	986	7,437
Accrued income taxes	14,456	13,602
Provision for bonuses	4,485	9,120
Other	156,430	183,634
Total current liabilities	354,650	482,990
Long-term liabilities		
Bonds payable	40,000	40,000
Long-term debt	264,399	277,179
Lease obligations	2,281	16,896
Retirement allowances for directors and audit and supervisory board members	9	377
Net defined benefit liability	10,474	6,953
Other	81,656	89,751
Total long-term liabilities	398,821	431,157
Total liabilities	753,471	914,148
Equity		
Shareholders' equity		
Common stock	168,384	168,384
Capital surplus	192,701	192,227
Retained earnings	150,463	172,781
Total shareholders' equity	511,549	533,392
Accumulated other comprehensive income		
Unrealized gain on available-for-sale securities	1,316	1,510
Deferred gain on derivatives under hedge accounting	606	698
Foreign currency translation adjustments	83,801	50,873
Remeasurements of defined benefit plans	(1,897)	(1,894)
Total accumulated other comprehensive income	83,827	51,188
Minority interests	40,247	43,802
Total equity	635,624	628,383
Total	1,389,096	1,542,532

(2) Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended September 30, 2014	Nine months ended September 30, 2015
Net sales	940,686	1,020,964
Cost of sales	424,201	460,793
Gross profit	516,484	560,170
Selling, general, and administrative expenses	451,666	490,295
Operating income	64,818	69,875
Non-operating income		
Interest income	237	325
Dividend income	120	1,582
Equity in earnings of affiliates	539	–
Other	767	875
Total non-operating income	1,665	2,783
Non-operating expenses		
Interest expense	3,369	3,830
Equity in losses of affiliates	–	5,521
Other	734	1,662
Total non-operating expenses	4,104	11,014
Ordinary income	62,380	61,643
Extraordinary income		
Gain on sales of noncurrent assets	127	74
Gain on step acquisitions	–	15,698
Other	32	55
Total extraordinary income	159	15,827
Extraordinary loss		
Loss on disposal of noncurrent assets	1,835	1,687
Impairment loss	202	10,324
Restructuring cost	3,508	1,380
Other	679	80
Total extraordinary losses	6,226	13,472
Income before income taxes and minority interests	56,313	63,998
Income taxes	22,515	24,047
Net income before minority interests	33,797	39,950
Minority interests in net income	2,960	1,332
Net income	30,837	38,618

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended September 30, 2014	Nine months ended September 30, 2015
Net income before minority interests	33,797	39,950
Other comprehensive income (loss)		
Unrealized gain on available-for-sale securities	209	188
Deferred gain (loss) on derivatives under hedge accounting	(71)	58
Foreign currency translation adjustments	314	(34,294)
Remeasurements of defined benefit plans, net of tax	–	4
Share of other comprehensive income (loss) in associates	306	(461)
Total other comprehensive income (loss)	759	(34,504)
Total comprehensive income	34,557	5,446
Total comprehensive income attributable to:		
Owners of the parent (the Company)	30,502	5,978
Minority interests	4,054	(532)

(3) Notes to quarterly consolidated financial statements

(Notes on premise of going concern)

No items to report

(Segment information, etc.)

[Segment information]

I. Nine months ended September 30, 2014

1. Information regarding amounts of sales and profit/loss by reportable segment

(Millions of yen)

	Reportable segments		Total	Reconciliations (Note 1)	Consolidated (Note 2)
	Japan	Overseas (Note 4)			
Sales					
Sales to external customers	547,202	393,484	940,686	–	940,686
Intersegment sales or transfers	–	902	902	(902)	–
Total	547,202	394,387	941,589	(902)	940,686
Segment profit (Note 3)	35,407	48,150	83,558	(18,739)	64,818

Notes 1. The reconciliations of segment profit represent amortization of goodwill unallocated to each reportable segment.
2. The segment profit is adjusted with operating income described on the quarterly consolidated statements of income.
3. The EBITDA for each reportable segment is as follows:

(Millions of yen)

	Japan	Overseas	Total
Segment profit	35,407	48,150	83,558
Depreciation and amortization	22,512	14,539	37,051
EBITDA*	57,920	62,689	120,610

* EBITDA is the sum of segment profit and depreciation and amortization.

4. The breakdown of sales, profit and EBITDA by overseas segment shown below has been categorized by the location of parent companies of local group companies.

(Millions of yen)

	Europe	Asia	Oceania	Americas	Total
Sales					
Sales to external customers	199,753	107,516	30,913	55,300	393,484
Intersegment sales or transfers	902	–	–	–	902
Total	200,656	107,516	30,913	55,300	394,387
Segment profit	32,297	6,356	3,132	6,363	48,150
Depreciation and amortization	6,092	5,262	1,114	2,069	14,539
EBITDA	38,389	11,619	4,247	8,432	62,689

2. Information regarding impairment loss on noncurrent assets, goodwill and negative goodwill, etc. by reportable segment

(Significant impairment loss on noncurrent assets)
No items to report

(Significant change in amount of goodwill)
No items to report

(Significant gain on negative goodwill)
No items to report

II. Nine months ended September 30, 2015

1. Information regarding amounts of sales and profit/loss by reportable segment

(Millions of yen)

	Reportable segments		Total	Reconciliations (Note 1)	Consolidated (Note 2)
	Japan	Overseas (Note 4)			
Sales					
Sales to external customers	593,523	427,440	1,020,964	–	1,020,964
Intersegment sales or transfers	14	1,454	1,469	(1,469)	–
Total	593,538	428,895	1,022,433	(1,469)	1,020,964
Segment profit (Note 3)	34,007	56,967	90,974	(21,099)	69,875

Notes 1. The reconciliations of segment profit represent amortization of goodwill, etc. unallocated to each reportable segment.
2. The segment profit is adjusted with operating income described on the quarterly consolidated statements of income.
3. The EBITDA for each reportable segment is as follows:

(Millions of yen)

	Japan	Overseas	Reconciliations (Note 1)	Total
Segment profit	34,007	56,967	–	90,974
Depreciation and amortization	23,497	16,803	–	40,301
Reconciliations	–	–	(1,520)	(1,520)
EBITDA (Note 2)	57,504	73,771	(1,520)	129,755

Notes 1. The reconciliation of EBITDA represents a one-time adjustment owing to Japan Beverage Holdings Inc., etc. being newly included in the scope of consolidation.
2. EBITDA is the sum of segment profit and depreciation and amortization.

4. The breakdown of sales, profit and EBITDA by overseas segment shown below has been categorized by the location of parent companies of local group companies.

(Millions of yen)

	Europe	Asia	Oceania	Americas	Total
Sales					
Sales to external customers	198,556	130,010	32,295	66,578	427,440
Intersegment sales or transfers	1,454	–	–	–	1,454
Total	200,010	130,010	32,295	66,578	428,895
Segment profit	36,467	8,983	3,651	7,864	56,967
Depreciation and amortization	6,966	6,117	1,223	2,496	16,803
EBITDA	43,434	15,101	4,875	10,360	73,771

2. Information regarding assets by reportable segment

In the “Japan” segment, assets for the reportable segment as of September 30, 2015 increased by ¥247,350 million compared with December 31, 2014, mainly due to acquisition of the shares of Japan Beverage Holdings Inc. and JT A-Star Co., Ltd., etc., and these companies being newly included in the scope of consolidation during the third quarter ended September 30, 2015.

3. Information regarding impairment loss on noncurrent assets, goodwill and negative goodwill, etc. by reportable segment

(Significant impairment loss on noncurrent assets)

In the "Overseas" segment, the Company has recorded impairment loss on goodwill, etc. as it no longer expects to obtain revenues that it originally forecasted due to the effect of economic slowdown in Indonesia. The amount of this impairment loss recorded in the nine months ended September 30, 2015 was ¥9,738 million.
In addition, for the goodwill equivalent related to equity method affiliates associated with the aforementioned, the Company recognized impairment losses and recorded ¥5,829 million in equity in losses of affiliates in the nine months ended September 30, 2015.
The total amount of the aforementioned impairment loss and equity in losses of affiliates recorded in the nine months ended September 30, 2015 was ¥15,567 million.

(Significant change in amount of goodwill)

In the "Japan" segment, a significant change in amount of goodwill occurred as a result of the acquisition of the shares of Japan Beverage Holdings Inc. and JT A-Star Co., Ltd., etc., and the new inclusion of these companies in the scope of consolidation during the nine months ended September 30, 2015. As a result of the aforementioned events, the amount of goodwill increased by ¥133,359 million in the nine months ended September 30, 2015.

(Significant gain on negative goodwill)

No items to report

(Notes on substantial changes in the amount of shareholders' equity)

No items to report