

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

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

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Suntory Beverage & Food Limited

May 2, 2016

<Results for the First Three 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)

	Three months ended March 31, 2015		Three months ended March 31, 2016		Increase (decrease)	
		Ratio to net sales		Ratio to net sales		
Net sales	272.5	100.0%	311.1	100.0%	38.6	14.2%
Gross profit	146.3	53.7%	169.5	54.5%	23.2	15.9%
Selling, general and administrative expenses	136.1	50.0%	157.0	50.5%	20.9	15.3%
Operating income	10.1	3.7%	12.5	4.0%	2.3	23.1%
Non-operating income	1.2	0.4%	1.0	0.3%	(0.1)	(9.9%)
Non-operating expenses	1.5	0.6%	1.7	0.6%	0.2	13.6%
Ordinary income	9.8	3.6%	11.8	3.8%	2.0	20.7%
Extraordinary income	0.0	0.0%	0.1	0.0%	0.0	62.0%
Extraordinary loss	1.2	0.4%	1.1	0.3%	(0.1)	(9.9%)
Income before income taxes	8.7	3.2%	10.8	3.5%	2.2	25.1%
Income taxes	3.5	1.3%	3.4	1.1%	(0.1)	(1.8%)
Net income attributable to non-controlling interests	0.6	0.2%	1.3	0.4%	0.7	118.5%
Net income attributable to owners of the parent	4.6	1.7%	6.1	2.0%	1.5	33.2%

(2) Other Indices

(Billions of yen)

		Three months ended March 31, 2015		Three months ended March 31, 2016		Increase (decrease)	
Depreciation and amortization		12.8		14.8		2.0 15.8%	
Amortization of goodwill		6.1		7.4		1.3 20.5%	
Operating income before amortization of goodwill		16.3		19.9		3.6 22.1%	
Net income before amortization of goodwill *1		10.7		13.5		2.8 25.9%	
EBITDA *2	EBITDA margin	29.1	10.7%	34.7	11.2%	5.6	19.4%

*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	6.0%	6.4%
	After amortization of goodwill	3.7%	4.0%

(Billions of yen)

	As of December 31, 2015	As of March 31, 2016	Increase (decrease)	
Total assets	1,484.4	1,432.7	(51.7)	(3.5%)
Total equity	626.9	592.4	(34.5)	(5.5%)
D/E ratio (Times) *3	0.5	0.5		

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

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

(Yen, average exchange rate)

	Three months ended March 31, 2015	Three months ended March 31, 2016
USD	119.2	115.4
EUR	134.0	127.1
GBP	180.5	165.0
SGD	87.8	82.2
NZD	89.6	76.5
AUD	93.7	83.3

2. Sales Details

(Billions of yen)

	Three months ended March 31, 2015	Three months ended March 31, 2016	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	151.4	191.6	40.2	26.5%	26.5%	
Europe	50.8	51.1	0.3	0.6%	7.3%	
Asia	39.8	39.8	(0.0)	(0.0%)	11.4%	
Oceania	11.5	10.1	(1.4)	(12.4%)	0.7%	
Americas	19.0	18.5	(0.4)	(2.3%)	0.9%	
Overseas	121.1	119.5	(1.6)	(1.3%)	7.0%	
Reconciliations	-	-	-	-	-	
Consolidation total	272.5	311.1	38.6	14.2%	18.2%	

3. Profit Details

(1) EBITDA

(Billions of yen)

	Three months ended March 31, 2015	Three months ended March 31, 2016	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	10.8	16.5	5.7	53.2%	53.2%	
Europe	8.7	8.1	(0.6)	(7.0%)	(0.7%)	
Asia	5.0	6.4	1.4	29.0%	47.4%	
Oceania	2.2	1.3	(0.9)	(41.3%)	(37.4%)	
Americas	2.4	2.4	(0.0)	(1.2%)	2.3%	
Overseas	18.3	18.2	(0.1)	(0.5%)	7.7%	
Reconciliations	-	-	-	-	-	
Consolidation total	29.1	34.7	5.6	19.4%	25.4%	

(2) Segment Profit

(Billions of yen)

	Three months ended March 31, 2015	Three months ended March 31, 2016	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	3.3	7.1	3.8	114.6%	114.6%	
Europe	6.6	5.8	(0.8)	(12.2%)	(6.4%)	
Asia	3.0	4.5	1.5	49.2%	77.3%	
Oceania	1.8	0.9	(0.9)	(48.6%)	(46.1%)	
Americas	1.6	1.6	(0.0)	(1.4%)	2.2%	
Overseas	13.0	12.8	(0.2)	(1.6%)	6.8%	
Reconciliations	(6.1)	(7.4)	(1.3)	-	-	*1
Consolidation total	10.1	12.5	2.3	23.1%	32.8%	

*1 The reconciliations of segment profit represent amortization of goodwill unallocated to each reportable segment.

(3) Ordinary Income and Net income attributable to owners of the parent

(Billions of yen)

	Three months ended March 31, 2015	Three months ended March 31, 2016	Increase (decrease)		Reference
Non-operating income	1.2	1.0	(0.1)	(9.9%)	
Non-operating expenses	1.5	1.7	0.2	13.6%	
Ordinary income	9.8	11.8	2.0	20.7%	
Extraordinary income	0.0	0.1	0.0	62.0%	
Extraordinary loss	1.2	1.1	(0.1)	(9.9%)	
Income taxes	3.5	3.4	(0.1)	(1.8%)	
Net income attributable to non-controlling interests	0.6	1.3	0.7	118.5%	
Net income attributable to owners of the parent	4.6	6.1	1.5	33.2%	

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

(Billions of yen)

Segment profit for the three months ended March 31, 2015	3.3
Increase in sales volume	2.5
Change in product mix	1.0
Reduction in manufacturing costs	1.4
Increase in sales promotion and advertising costs	(0.9)
Increase in other expenses	(0.2)
Segment profit for the three months ended March 31, 2016	7.1

4. Summary of Consolidated Balance Sheets

(Billions of yen)

	As of December 31, 2015	As of March 31, 2016	Increase (decrease)	Reference
Cash and deposits	97.7	97.5	(0.2)	
Notes and accounts receivable–trade	156.9	149.8	(7.1)	
Inventories	82.6	87.1	4.5	
Other	53.3	57.5	4.2	
Current assets	390.6	391.9	1.4	
Property, plant and equipment	347.9	335.3	(12.5)	
Goodwill	454.2	435.3	(18.9)	
Trademarks	188.5	171.0	(17.5)	
Other	68.7	65.5	(3.2)	
Intangible fixed assets	711.4	671.8	(39.7)	
Investments and other assets	34.3	33.4	(0.8)	
Noncurrent assets	1,093.5	1,040.6	(53.0)	
Deferred assets	0.3	0.2	(0.1)	
Total	1,484.4	1,432.7	(51.7)	
Notes and accounts payable–trade	119.8	121.1	1.3	
Interest-bearing debt	113.6	148.0	34.4	*2
Other	205.4	201.5	(3.9)	
Current liabilities	438.9	470.6	31.7	
Interest-bearing debt	298.7	253.3	(45.4)	*3
Other	119.9	116.4	(3.5)	
Long-term liabilities	418.7	369.8	(48.9)	
Total liabilities	857.5	840.4	(17.2)	
Shareholders' equity	537.2	530.5	(6.7)	
Accumulated other comprehensive income	46.2	19.7	(26.5)	*4
Non-controlling interests	43.4	42.1	(1.3)	
Total equity	626.9	592.4	(34.5)	
Total	1,484.4	1,432.7	(51.7)	

*2 The increase is mainly due to the transfer from long-term liabilities (long-term debt) to current liabilities (current portion of long-term debt).

*3 The decrease is mainly due to the transfer from long-term liabilities (long-term debt) to current liabilities (current portion of long-term debt).

*4 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)

	Three months ended March 31, 2015		Three months ended March 31, 2016	
	Actual	Increase (decrease) year-to-year	Actual	Increase (decrease) year-to-year
Mineral water	16.4	(2%)	18.9	15%
RTD coffee	21.4	(1%)	22.4	5%
RTD tea (excl. RTD black tea)	19.6	(8%)	20.7	6%
Cola drinks	5.2	(24%)	5.1	(3%)
Carbonates (excl. cola drinks)	9.9	17%	10.3	4%
Sports drinks, etc.	3.2	(22%)	2.6	(19%)
Fruit juices	3.4	(14%)	3.4	(1%)
RTD black tea	1.9	(8%)	2.1	8%
Others	4.6	(10%)	4.2	(5%)
Total	85.5	(5%)	89.6	5%

* The portions of the sales volume by Japan Beverage Holdings Inc. and JT 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)

	Three months ended March 31, 2016	
	Actual	Increase (decrease) year-to-year
Orangina (France)	31	(8%)
Oasis (France)	61	(4%)
Schweppes (Spain, Portugal)	26	11%
Lucozade (UK, Ireland)	86	7%
Ribena (UK, Ireland)	24	(5%)