

Financial Results for Q1 Fiscal Year Ending December 31, 2017

April 28, 2017

Suntory Beverage & Food Limited



Financial Results for Q1, FY2017

Net sales declined due to negative FX impact,
while operating income increased

(Billions of yen)

	FY2016 Jan - Mar	FY2017 Jan - Mar	Change		
			YoY	% YoY	Currency neutral
Net Sales	311.1	310.5	-0.6	-0.2%	+1.2%
Operating Income	12.5	16.1	+3.6	+28.8%	+33.7%
Ratio	4.0%	5.2%			
Net Income ^{*1}	6.1	6.8	+0.7	+11.6%	+15.9%
EBITDA ^{*2}	34.7	38.1	+3.4	+9.7%	+12.6%
Net income before amortization of goodwill ^{*3}	13.5	14.0	+0.5	+3.8%	+7.0%

*1 Net income attributable to owners of the parent

*2 EBITDA = operating income + depreciation and amortization + amortization of goodwill

*3 Net income before amortization of goodwill = Net income attributable to owners of the parent + amortization of goodwill

Financial Results for Q1, FY2017

Japan and Asia business drove segment profit growth

(Billions of yen)

	Sales	Change			Segment Profit	Change		
		YoY	% YoY	Currency neutral		YoY	% YoY	Currency neutral
Japan	189.6	-2.0	-1.0%	-	8.7	+1.6	+22.2%	-
Overseas	120.9	+1.4	+1.1%	+4.9%	14.6	+1.8	+14.3%	+20.3%
Europe	49.5	-1.6	-3.2%	+5.1%	5.3	-0.5	-8.6%	+0.8%
Asia	42.3	+2.5	+6.4%	+7.4%	6.7	+2.2	+49.4%	+50.7%
Oceania	10.5	+0.4	+4.1%	-0.4%	1.3	+0.4	+39.2%	+43.5%
Americas	18.6	+0.0	+0.2%	+1.8%	1.3	-0.3	-16.0%	-14.5%

Initiatives focused on profit were successful and drove profit growth

(Billions of yen)

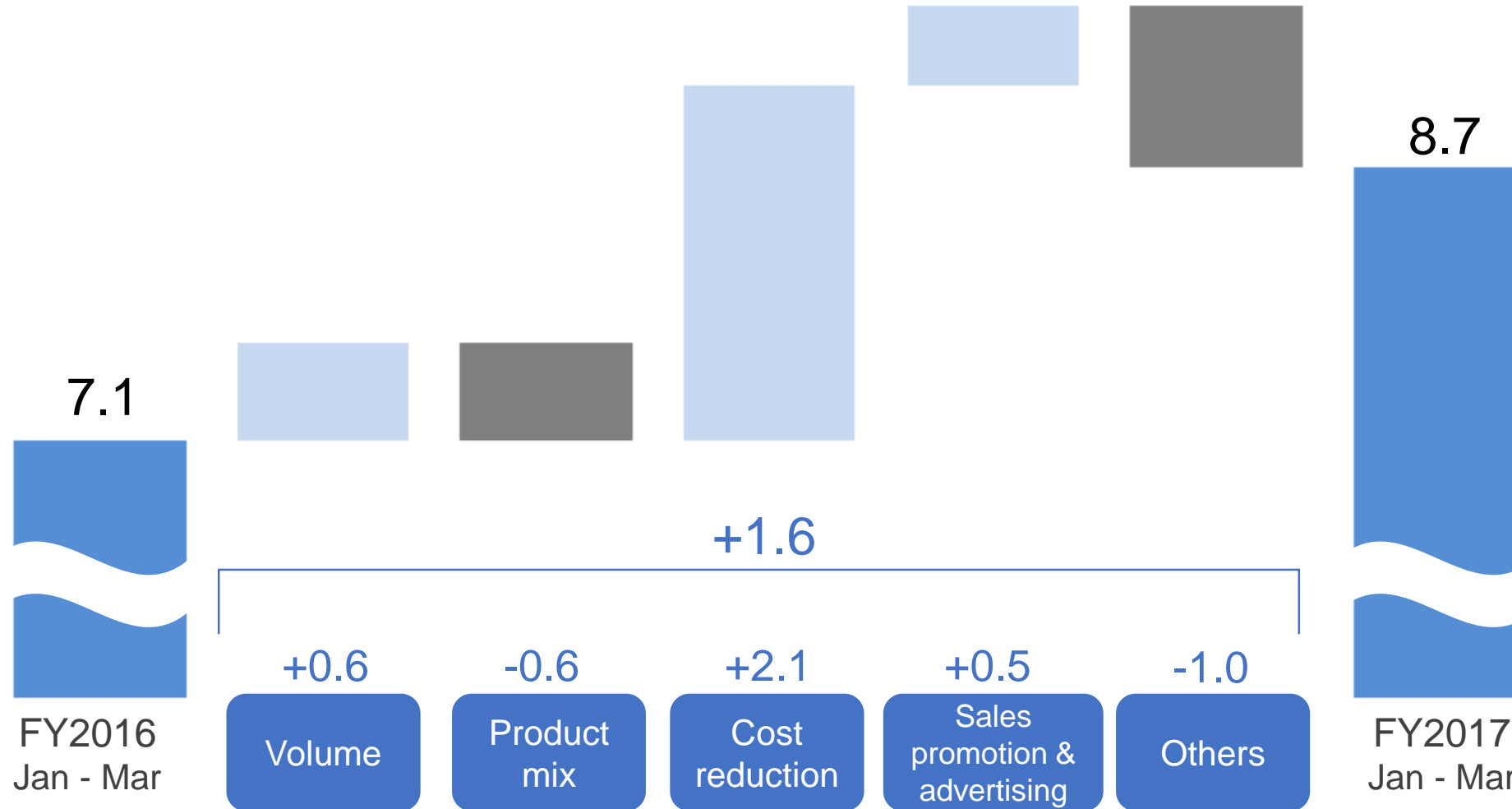
Sales	% YoY	Segment Profit	% YoY
189.6	-1.0%	8.7	+22.2%

- Sales volume increased by 1% due to good sales of core brands including *Suntory Tennensui*, *Boss* and *Iyemon*
- Segment profit grew due to cost reduction and efficient marketing execution



Japan: Segment Profit Bridge for Q1

(Billions of yen)



1. Reinforce core brands

Iyemon



Revitalized
on Mar. 7

Orangina



Revitalized
on Mar. 28

*Suntory
Oolong Tea*



Revitalized
on May 9

2. Offer products with new value

*Craft Boss
Black*



Launched
on Apr. 4

*Craft Boss
Latte*



To be launched
on Jun. 13

*Suntory Tennensui
PREMIUM MORNING TEA
Lemon*



Launched
on Apr. 25

Sales and profit grew due to good performance in France and UK

(Billions of yen)

Sales	% YoY (Currency neutral)	Segment Profit	% YoY (Currency neutral)
49.5	+5.1%	5.3	+0.8%

	Sales	% YoY (Currency neutral)	
France ^{*1}	19.6	+7.7%	Sales grew for <i>Orangina</i> and <i>Oasis</i>
UK ^{*2}	13.9	+3.8%	<i>Lucozade</i> recorded good sales
Spain ^{*3}	9.9	-3.9%	Horeca market slowed down



*1: France and Belgium *2: UK and Ireland *3: Spain and Portugal

Sales and profit grew, driven by Health Supplement business

(Billions of yen)

Sales	% YoY (Currency neutral)	Segment Profit	% YoY (Currency neutral)
42.3	+7.4%	6.7	+50.7%

Sales	% YoY (Currency neutral)
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Vietnam 16.3 -0.6% Slow recovery trend in beverage market

Health Supplement 14.0 +23.9% *BRAND'S Essence of Chicken* recorded strong sales in Thailand



Oceania/Americas: Q1 Results

[Oceania] Flat sales but V recorded steady sales

		(Billions of yen)	
Sales	% YoY (Currency neutral)	Segment Profit	% YoY (Currency neutral)
10.5	-0.4%	1.3	+43.5%



[Americas] Further good momentum in non-carbonated beverages

		(Billions of yen)	
Sales	% YoY (Currency neutral)	Segment Profit	% YoY (Currency neutral)
18.6	+1.8%	1.3	-14.5%



SUNTORY

SUNTORY BEVERAGE & FOOD

(Billions of yen)

	FY2016 Result	FY2017 Forecast	Changes		
			YoY	% YoY	Currency neutral
Net Sales	1,410.8	1,430.0	+19.2	+1.4%	+2.2%
Operating Income	93.5	98.0	+4.5	+4.8%	+6.4%
Net Income ^{*1}	46.1	47.0	+0.9	+2.0%	+3.7%
EBITDA ^{*2}	180.8	186.0	+5.2	+2.9%	+4.4%
Net income before amortization of goodwill ^{*3}	74.7	75.2	+0.5	+0.6%	+2.4%

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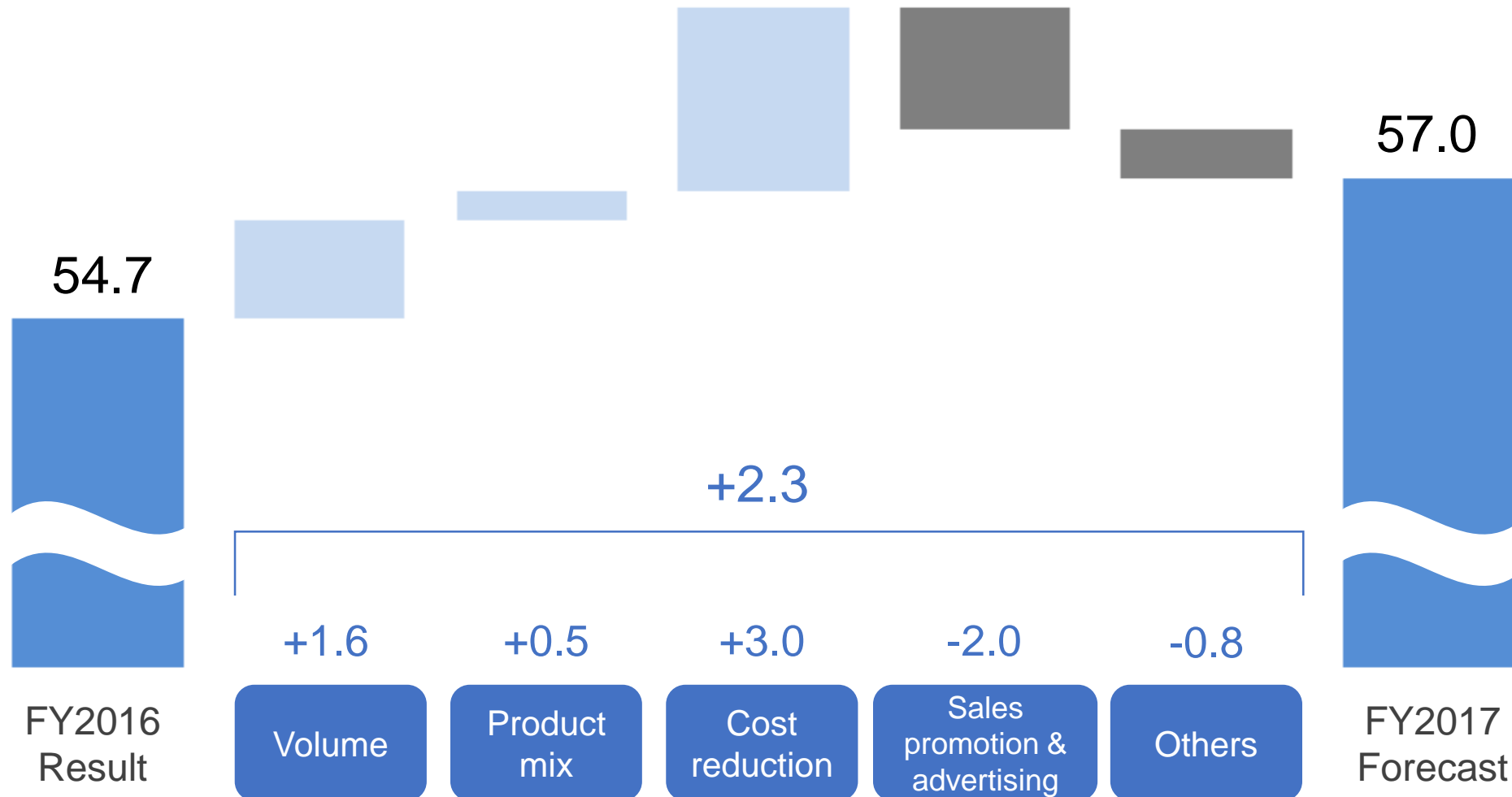
FY2017 Forecast by Segment

(Billions of yen)

	Sales	Changes			Segment Profit	Changes		
		YoY	% YoY	Currency neutral		YoY	% YoY	Currency neutral
Japan	895.0	+5.0	+0.6%	-	57.0	+2.3	+4.1%	-
Overseas	535.0	+14.3	+2.7%	+5.0%	69.2	+1.8	+2.6%	+5.8%
Europe	225.0	-4.4	-1.9%	+3.8%	36.5	-1.9	-4.9%	+1.1%
Asia	181.0	+16.7	+10.1%	+10.1%	17.8	+3.5	+24.3%	+22.6%
Oceania	42.0	+1.2	+3.0%	+1.4%	5.2	+0.0	+1.0%	+2.0%
Americas	87.0	+0.8	+0.9%	-0.2%	9.7	+0.1	+1.4%	+0.1%

FY2017 Forecast: Japan Segment Profit Bridge

(Billions of yen)



Exchange Rates

(Yen, average exchange rate)

	FY2016 Jan-Mar	FY2017 Jan-Mar	FY2017 Forecast
U.S.Dollar	115.4	113.6	110
Euro	127.1	121.0	115
British Pound	165.0	140.7	135
Singapore Dollar	82.2	80.2	77
Vietnam Dong	0.0052	0.0050	0.0048
New Zealand Dollar	76.5	80.9	77
Australian Dollar	83.3	86.2	82

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