

# Financial Results for Q3 Year Ending December 31, 2019

November 5, 2019  
Suntory Beverage & Food Limited

# Financial Results for Q3, FY2019 (9 months)

	(Billions of yen)					
	FY2018 Jan - Sep	FY2019 Jan - Sep	Change			
			YoY	Currency Neutral	%YoY	Currency Neutral
Revenue	972.1	980.6	+8.5	+24.0	+0.9%	+2.5%
Operating Income	94.4	90.6	-3.8	-1.9	-4.0%	-2.1%
Operating Income (Organic basis*1)	83.6	91.2	+7.6	+9.4	+9.0%	+11.5%
Net Income*2	65.8	57.8	-8.0	-6.8	-12.2%	-10.5%

\*1 Excluding factors derived from extraordinary reasons from "Other income" and "Other expenses"

\*2 Profit for the year attributable to owners of the Company

# Financial Results for Q3, FY2019 by Segment (9 months) SUNTORY SUNTORY BEVERAGE & FOOD

(Billions of yen)

	Revenue	Change				Segment Profit	Change			
		YoY	Currency Neutral	%YoY	Currency Neutral		YoY	Currency Neutral	%YoY	Currency Neutral
Japan	535.4	-1.4	—	-0.3%	—	44.0	+4.2	—	+10.4%	—
Europe	174.3	-14.6	-2.5	-7.7%	-1.4%	27.3	+0.6	+2.2	+2.2%	+8.6%
Asia	170.3	+22.2	+22.7	+15.0%	+15.3%	17.6	-8.5	-8.5	-32.6%	-32.4%
Organic							+3.1	+3.2	+21.5%	+22.4%
Oceania	38.4	-0.4	+2.3	-1.1%	+6.2%	3.5	-0.0	+0.2	-1.3%	+6.2%
Americas	62.2	+2.7	+2.9	+4.5%	+5.0%	6.5	+0.0	+0.0	+0.0%	+0.5%
Reconciliation						-8.3	+0.1	-0.0		
<b>Total</b>	<b>980.6</b>	<b>+8.5</b>	<b>+24.0</b>	<b>+0.9%</b>	<b>+2.5%</b>	<b>90.6</b>	<b>-3.8</b>	<b>-1.9</b>	<b>-4.0%</b>	<b>-2.1%</b>
Organic						91.2	+7.6	+9.4	+9.0%	+11.5%

(Billions of yen)

Revenue

%YoY

Segment Profit

%YoY

535.4

-0.3%

44.0

+10.4%

- 2% volume down due to July bad weather
- Continued sales recovery of FOSHU drinks and Foods with Function Claims
- Adverse impact of lower volume on profit was largely off set by tight cost control resulting in Q3 profit almost in line with the previous year



(Billions of yen)

Revenue

174.3

%YoY

-7.7%

Currency  
Neutral

-1.4%

Segment Profit

27.3

%YoY

+2.2%

Currency  
Neutral

+8.6%

Revenue

%YoY

Currency  
Neutral

France

(\*1)

74.4

-9.9%

-3.8%

Down due to continued difficulties in *Oasis*  
 Q3 recovery to flat YoY by focus on core brands

UK

(\*2)

46.2

-2.5%

+3.9%

Continued growth of *Lucozade Energy*

Spain

(\*3)

38.0

-11.7%

-5.8%

Progress in off-premise activities  
 Down due to weak on-premise market

(\*1) France, Belgium (\*2) UK, Ireland (\*3) Spain, Portugal



(Billions of yen)

Revenue

170.3

%YoY

+15.0%

Currency  
Neutral

+15.3%

Segment Profit

17.6

%YoY

-32.6%

Currency  
Neutral

-32.4%

Organic

+21.5%

+22.4%

Revenue

%YoY

Currency  
NeutralBeverage  
(Vietnam)

63.3

+13.4%

+15.8%

Up due to market growth and continued strength of core brands such as *Sting* and *TEA+*Beverage\*  
(Thailand)

48.5

+59.0%

+55.3%

Continued growth

Price up since July prior to sugar tax hike in October

Health  
Supplement

37.3

-2.8%

-4.1%

Distribution strengthening  
Q3 recovery to flat YoY

\*Beverage (Thailand): Last year results consist of only 7 months (Business started operations in March last year)



(Billions of yen)

## Oceania

Revenue

38.4

%YoY

-1.1%

Currency  
Neutral

+6.2%

Segment Profit

3.5

%YoY

-1.3%

Currency  
Neutral

+6.2%

Revenue

%YoY

Currency  
Neutral

Frucor Suntory

28.9

-0.2%

+6.7%

Fresh Coffee Business

9.6

-3.6%

+4.9%

## Americas

Revenue

62.2

%YoY

+4.5%

Currency  
Neutral

+5.0%

Segment Profit

6.5

%YoY

+0.0%

Currency  
Neutral

+0.5%

# Revision of FY2019 Forecast



## FY2019 Forecast (IFRS)

(Billions of yen)

	FY2018 Results	FY2019 Revised Forecast	Difference from prev. forecast	Change			
				YoY	Currency Neutral	%YoY	Currency Neutral
Revenue	1,294.3	1,297.0	-16.0	+2.7	+25.9	+0.2%	+2.0%
Operating Income	113.6	111.0	+1.0	-2.6	-0.3	-2.3%	-0.3%
Operating Income (Organic basis*1)	108.4	112.0	+1.0	+3.6	+6.2	+3.3%	+5.9%
Net Income*2	80.0	68.0	+1.5	-12.0	-10.1	-15.0%	-12.9%

\*1 Excluding factors derived from extraordinary reasons from “Other income” and “Other expenses”

\*2 Profit for the year attributable to owners of the Company

# FY2019 Forecast (IFRS) (by Segment)

	Revenue	Difference from prev. forecast	Change				Segment Profit	Difference from prev. forecast	Change			
			YoY	Currency Neutral	%YoY	Currency Neutral			YoY	Currency Neutral	%YoY	Currency Neutral
<b>Japan</b>	<b>703.0</b>	<b>-6.0</b>	<b>-5.7</b>	<b>—</b>	<b>-0.8%</b>	<b>—</b>	<b>53.5</b>	<b>+0.5</b>	<b>+0.8</b>	<b>—</b>	<b>+1.6%</b>	<b>—</b>
<b>Europe</b>	<b>220.0</b>	<b>-25.0</b>	<b>-18.9</b>	<b>-2.3</b>	<b>-7.9%</b>	<b>-1.0%</b>	<b>31.5</b>	<b>+2.4</b>	<b>+4.1</b>	<b>+8.1%</b>	<b>+14.9%</b>	
Organic							<b>32.5</b>	<b>-0.5</b>	<b>-0.4</b>	<b>+1.6</b>	<b>-1.3%</b>	<b>+5.0%</b>
<b>Asia</b>	<b>236.0</b>	<b>+17.0</b>	<b>+28.6</b>	<b>+29.7</b>	<b>+13.8%</b>	<b>+14.4%</b>	<b>23.5</b>	<b>+1.0</b>	<b>-5.7</b>	<b>-5.5</b>	<b>-19.4%</b>	<b>-19.1%</b>
Organic							<b>23.5</b>	<b>+1.0</b>	<b>+3.8</b>	<b>+4.0</b>	<b>+19.2%</b>	<b>+20.5%</b>
<b>Oceania</b>	<b>51.0</b>	<b>-2.0</b>	<b>-3.2</b>	<b>+1.0</b>	<b>-5.9%</b>	<b>+1.9%</b>	<b>6.5</b>	<b>+0.1</b>	<b>+0.6</b>	<b>+2.0%</b>	<b>+10.0%</b>	
<b>Americas</b>	<b>87.0</b>		<b>+2.0</b>	<b>+3.2</b>	<b>+2.3%</b>	<b>+3.8%</b>	<b>8.5</b>	<b>+0.0</b>	<b>+0.1</b>	<b>+0.1%</b>	<b>+1.4%</b>	
Reconsiliation							<b>-12.5</b>	<b>-0.5</b>	<b>-0.2</b>	<b>-0.4</b>		
<b>Total</b>	<b>1,297.0</b>	<b>-16.0</b>	<b>+2.7</b>	<b>+25.9</b>	<b>+0.2%</b>	<b>+2.0%</b>	<b>111.0</b>	<b>+1.0</b>	<b>-2.6</b>	<b>-0.3</b>	<b>-2.3%</b>	<b>-0.3%</b>
Organic							<b>112.0</b>	<b>+1.0</b>	<b>+3.6</b>	<b>+6.2</b>	<b>+3.3%</b>	<b>+5.9%</b>

**SUNTORY**  
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## ■ Financial Results for Q3, FY2019 (3 months)

			(Billions of yen)			
	FY2018 Jul - Sep	FY2019 Jul - Sep	Change			
			YoY	Currency Neutral	%YoY	Currency Neutral
Revenue	358.2	352.8	-5.4	+2.1	-1.5%	+0.6%
Operating Income	38.0	39.7	+1.7	+2.8	+4.6%	+7.7%
Operating Income (Organic basis*1)	38.6	39.8	+1.1	+2.2	+2.9%	+6.0%
Net Income*2	24.5	26.0	+1.5	+1.7	+6.2%	+7.0%

\*1 Excluding factors derived from extraordinary reasons from “Other income” and “Other expenses”

\*2 Profit for the year attributable to owners of the Company

# Revenue Results by Quarter (IFRS)

(Billions of yen)

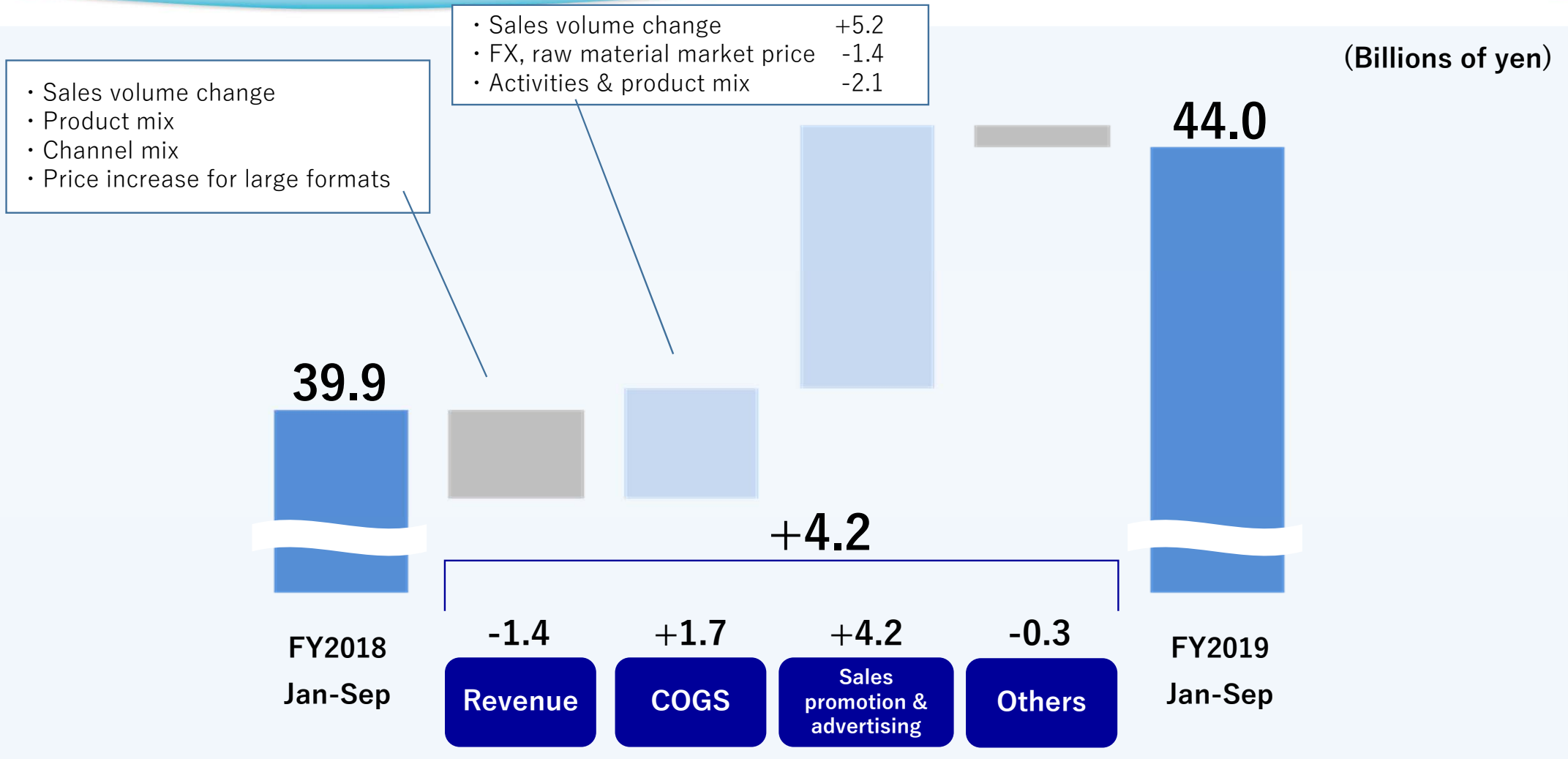
	Q1 (Jan-Mar)	Change				Q2 (Apr-Jun)	Change				Q3 (Jul-Sep)	Change			
		YoY	Currency Neutral	%YoY	Currency Neutral		YoY	Currency Neutral	%YoY	Currency Neutral		YoY	Currency Neutral	%YoY	Currency Neutral
Japan	150.7	+0.2	—	+0.2%	—	185.3	+1.9	—	+1.1%	—	199.4	-3.6	—	-1.8%	—
Europe	46.8	-3.0	-0.2	-6.1%	-0.5%	64.3	-5.8	-2.1	-8.3%	-3.1%	63.2	-5.7	-0.2	-8.3%	-0.3%
Asia	57.0	+10.8	+11.0	+23.3%	+23.9%	58.2	+8.1	+8.2	+16.1%	+16.3%	55.0	+3.3	+3.5	+6.5%	+6.8%
Oceania	12.9	-0.7	+0.2	-4.9%	+1.4%	12.5	-0.2	+0.6	-1.5%	+4.8%	13.0	+0.4	+1.5	+3.5%	+13.1%
Americas	18.3	+1.3	+0.9	+7.4%	+5.5%	21.6	+1.3	+1.2	+6.5%	+5.6%	22.3	+0.1	+0.8	+0.5%	+3.9%
<b>Total</b>	<b>285.7</b>	<b>+8.6</b>	<b>+12.1</b>	<b>+3.1%</b>	<b>+4.4%</b>	<b>342.1</b>	<b>+5.3</b>	<b>+9.8</b>	<b>+1.6%</b>	<b>+2.9%</b>	<b>352.8</b>	<b>-5.4</b>	<b>+2.1</b>	<b>-1.5%</b>	<b>+0.6%</b>

# Segment Profit Results by Quarter (IFRS)

(Billions of yen)

	Q1 (Jan-Mar)					Q2 (Apr-Jun)					Q3 (Jul-Sep)				
	YoY	Change		%YoY	Currency Neutral	YoY	Change		%YoY	Currency Neutral	YoY	Change		%YoY	Currency Neutral
<b>Japan</b>	<b>6.5</b>	+1.3	-	+24.8%	-	<b>16.2</b>	+2.5	-	+18.0%	-	<b>21.4</b>	+0.4	-	+1.9%	-
<b>Europe</b>	<b>4.1</b>	-0.1	+0.1	-1.8%	+3.7%	<b>10.6</b>	-0.3	+0.2	-3.0%	+2.0%	<b>12.6</b>	+1.0	+1.8	+8.4%	+16.8%
<b>Asia</b>	<b>7.1</b>	-9.9	-9.8	-58.4%	-58.2%	<b>5.6</b>	+1.3	+1.1	+30.2%	+25.7%	<b>4.9</b>	+0.1	+0.2	+1.5%	+5.1%
Organic		+1.3	+1.4	+23.6%	+25.5%		+1.6	+1.5	+40.2%	+35.0%		+0.2	+0.4	+3.8%	+7.5%
<b>Oceania</b>	<b>1.4</b>	-0.1	-0.1	-9.7%	-4.1%	<b>1.2</b>	-0.2	-0.1	-13.1%	-7.7%	<b>0.9</b>	+0.3	+0.4	+48.4%	+70.4%
<b>Americas</b>	<b>1.5</b>	-0.0	-0.0	-0.4%	-2.2%	<b>2.3</b>	-0.0	-0.0	-0.4%	-1.3%	<b>2.7</b>	+0.0	+0.1	+0.7%	+3.6%
Reconciliation	<b>-2.7</b>					<b>-2.8</b>					<b>-2.8</b>				+3.3%
<b>Total</b>	<b>17.8</b>	-8.8	-8.5	-33.1%	-32.2%	<b>33.1</b>	+3.3	+3.7	+11.0%	+12.6%	<b>39.7</b>	+1.7	+2.8	+4.6%	+7.7%
Organic		+2.6	+2.9	+16.8%	+19.3%		+3.8	+4.3	+13.0%	+14.6%		+1.1	+2.2	+2.9%	+6.0%

# Segment Profit Bridge for Q3, FY2019 (9 months)



# Sales Volume of Major Brands

## Japan

(Million cases)	Nine months ended September 30, 2018		Nine months ended September 30, 2019		FY2019 Forecast	
	Actual	Increase (decrease)	Actual	Increase (decrease)	Forecast	Increase (decrease)
<i>Suntory Tennensui</i>	92.1	10%	86.3	-6%	112.0	-4%
<i>Boss</i>	77.9	9%	82.3	6%	111.0	4%
<i>Iyemon</i>	40.8	-5%	38.5	-6%	51.0	-5%
<i>Suntory Oolong Tea</i>	20.2	1%	18.9	-7%	24.8	-7%
<i>Pepsi</i>	15.4	-10%	15.7	1%	20.0	-1%
<i>Green DAKARA</i>	30.9	22%	34.6	12%	42.0	11%
FOSHU drinks and Foods with Function Claims	17.5	-13%	17.8	2%	23.3	-0%
<b>Total</b>	<b>353.0</b>	<b>4%</b>	<b>347.4</b>	<b>-2%</b>	<b>453.6</b>	<b>-2%</b>

\*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.

## Europe

(Million liters)	Nine months ended September 30, 2018		Nine months ended September 30, 2019	
	Actual	Increase (decrease)	Actual	Increase (decrease)
<i>Orangina</i> (France)	131	4%	130	-1%
<i>Oasis</i> (France)	225	5%	214	-5%
<i>Schweppes</i> (Spain, Portugal)	102	-5%	104	2%
<i>Lucozade</i> (UK, Ireland)	290	-0%	312	7%
<i>Ribena</i> (UK, Ireland)	79	-2%	67	-15%



## Exchange Rates

(Yen, average exchange rate)

	FY2018 Jan-Sep	FY2019 Jan-Sep	FY2019 Forecast (as of Nov 5)	Previous Forecast (as of Feb 14)
U.S. Dollar	109.6	109.2	109	111
Euro	130.9	122.6	121	129
British Pound	148.1	139.0	137	144
Singapore Dollar	81.8	80.0	80	81
Thai Baht	3.4	3.5	3.5	3.4
Vietnam Dong	0.0048	0.0047	0.0047	0.0048
New Zealand Dollar	76.7	72.5	71	73
Australian Dollar	83.1	76.3	75	80

## ■ Forward Looking Statement

**This document contains forward-looking statements related to business and financial performance of the Company or the Group.**

**These forward-looking statements are projections made based on the currently available information and are subject to risks and uncertainties including, but not limited to, economic trends, competition in the industry in which the Company and the Group operate, market needs, exchange rates, as well as tax and other systems.**

**Therefore, actual business results and other outcomes published in the future may vary due to these factors. The Company accepts no liability for any loss or damage arising from the use of the information contained in this document.**