

**Supplementary Material on Consolidated Financial Results for the First
Three Months of the Year Ending December 31, 2020**

<Results for the First Three Months of the Year Ending December 31, 2020>

1. Summary of Consolidated Statement of Profit or Loss, Indices, etc.
2. Revenue Details
3. Profit Details
4. Summary of Consolidated Statement of Financial Position
5. Summary of Consolidated Statements of Cash Flows
6. Other Information

Suntory Beverage & Food Limited

May 8, 2020

<Results for the First Three Months of the Year Ending December 31, 2020>

1. Summary of Consolidated Statement of Profit or Loss, Indices, etc.

(1) Summary of Consolidated Statement of Profit or Loss

(Billions of yen with fractional amounts rounded off)

	Three months ended March 31, 2019		Three months ended March 31, 2020		Increase (decrease)	
		Ratio to revenue		Ratio to revenue		
Revenue	285.7	100.0%	277.2	100.0%	(8.5)	(3.0)%
Gross profit	116.2	40.7%	114.5	41.3%	(1.8)	(1.5)%
Selling, general and administrative expenses	97.8	34.2%	94.3	34.0%	(3.5)	(3.6)%
Gain on investments accounted for using the equity method	0.0	0.0%	0.0	0.0%	(0.0)	(51.0)%
Other income	0.5	0.2%	0.8	0.3%	0.3	58.2%
Other expenses	1.2	0.4%	1.2	0.4%	(0.0)	(0.4)%
Operating income	17.8	6.2%	19.8	7.2%	2.1	11.6%
Finance income	0.4	0.2%	0.6	0.2%	0.1	25.8%
Finance costs	0.7	0.3%	0.6	0.2%	(0.1)	(14.2)%
Profit before tax for the period	17.5	6.1%	19.8	7.1%	2.3	13.0%
Income tax expense	4.2	1.5%	4.1	1.5%	(0.1)	(1.9)%
Profit for the period	13.3	4.6%	15.6	5.6%	2.4	17.8%
Profit for the period attributable to non-controlling interests	2.6	0.9%	2.9	1.1%	0.3	13.2%
Profit for the period attributable to owners of the Company	10.7	3.7%	12.7	4.6%	2.0	18.8%

(2) Other Indices

(Billions of yen)

		Three months ended March 31, 2019		Three months ended March 31, 2020		Increase (decrease)	
Depreciation		18.0		17.8		(0.2)	(1.3)%
Operating income	Operating margin	17.8	6.2%	19.8	7.2%	2.1	11.6%
EBITDA *1	EBITDA margin	36.5	12.8%	38.0	13.7%	1.5	4.2%

*1 EBITDA is calculated as operating income ± other income and expenditure aside from gain on investments accounted for using the equity method+ depreciation.

(Billions of yen)

		As at December 31, 2019		As at March 31, 2020		Increase (decrease)	
Total assets		1,567.3		1,510.9		(56.4)	(3.6)%
Total equity		837.6		811.3		(26.3)	(3.1)%
D/E ratio (Times) *2		0.1		0.2			

*2 D/E ratio is calculated as (interest-bearing debt - cash and cash equivalents ± valuation difference from adopting hedge accounting, etc.) / total equity.

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

(Yen, average exchange rate)

	Three months ended March 31, 2019	Three months ended March 31, 2020
USD	110.2	108.9
EUR	125.2	120.1
GBP	143.7	139.3
SGD	81.4	78.6
THB	3.5	3.5
VND	0.0048	0.0047
NZD	75.1	69.1
AUD	78.5	71.6

2. Revenue Details

(Billions of yen)

	Three months ended March 31, 2019	Three months ended March 31, 2020	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	150.7	146.8	(3.9)	(2.6)%	(2.6)%	
Europe	46.8	44.0	(2.8)	(5.9)%	(2.1)%	
Asia	57.0	55.1	(1.9)	(3.4)%	(2.4)%	
Oceania	12.9	12.4	(0.5)	(3.9)%	5.0%	
Americas	18.3	19.0	0.7	3.7%	5.0%	
Reconciliations	–	–	–	–	–	
Consolidation total	285.7	277.2	(8.5)	(3.0)%	(1.7)%	

Due to the organizational changes, some of the entities in Africa and Middle East, which were previously reported in "Europe business," have been reclassified to "Asia business" from "Europe business," starting from the second quarter of the year ended December 31, 2019. Accordingly, the same reclassification has been made for the accompanying segment information for the three months ended March 31, 2019.

3. Profit Details

(1) EBITDA

(Billions of yen)

	Three months ended March 31, 2019	Three months ended March 31, 2020	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	16.3	16.8	0.4	2.7%	2.7%	
Europe	7.2	7.8	0.6	8.2%	12.4%	
Asia	10.2	10.8	0.5	5.0%	5.0%	
Oceania	2.3	2.2	(0.1)	(2.9)%	2.4%	
Americas	2.3	2.4	0.0	2.0%	3.2%	
Reconciliations	(1.9)	(1.9)	0.0	–	–	*1
Consolidation total	36.5	38.0	1.5	4.2%	5.4%	

*1 "Reconciliations" to segment EBITDA represents overhead costs incurred by the Company to manage the Group's operations and is not allocated to each reportable segment.

Due to the organizational changes, some of the entities in Africa and Middle East, which were previously reported in "Europe business," have been reclassified to "Asia business" from "Europe business," starting from the second quarter of the year ended December 31, 2019. Accordingly, the same reclassification has been made for the accompanying segment information for the three months ended March 31, 2019.

(2) Segment Profit

(Billions of yen)

	Three months ended March 31, 2019	Three months ended March 31, 2020	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	6.5	7.1	0.6	9.4%	9.4%	
Europe	4.1	4.8	0.7	17.2%	21.5%	
Asia	7.1	7.8	0.7	9.7%	10.5%	
Oceania	1.4	1.4	0.1	3.8%	9.4%	
Americas	1.5	1.5	(0.0)	(1.0)%	0.2%	
Reconciliations	(2.7)	(2.7)	0.0	–	–	*2
Consolidation total	17.8	19.8	2.1	11.6%	13.2%	

*2 “Reconciliations” to segment profit represents overhead costs incurred by the Company to manage the Group’s operations and is not allocated to each reportable segment.

Due to the organizational changes, some of the entities in Africa and Middle East, which were previously reported in "Europe business," have been reclassified to "Asia business" from "Europe business," starting from the second quarter of the year ended December 31, 2019. Accordingly, the same reclassification has been made for the accompanying segment information for the three months ended March 31, 2019.

(3) Breakdown of Increase (Decrease) in Segment Profit for Japan Business Segment

(Billions of yen)

Segment profit for the three months ended March 31, 2019	6.5
Decrease in revenue	(3.9)
Decrease in cost of goods sold	3.4
Decrease in sales promotion and advertising costs	1.5
Increase in other expenses	(0.4)
Segment profit for the three months ended March 31, 2020	7.1

4. Summary of Consolidated Statement of Financial Position

(Billions of yen)

	As at December 31, 2019	As at March 31, 2020	Increase (decrease)	Reference
Cash and cash equivalents	143.6	130.0	(13.6)	
Trade and other receivables	191.2	173.0	(18.2)	
Other financial assets	6.2	5.9	(0.3)	
Inventories	84.9	92.9	8.0	
Other current assets	20.3	24.0	3.7	
Subtotal	446.2	425.8	(20.4)	
Assets held for sale	0.1	0.0	(0.1)	
Current assets	446.3	425.8	(20.5)	
Property, plant and equipment	372.0	360.7	(11.4)	*1
Right-of-use assets	47.4	47.8	0.3	
Goodwill	247.9	242.3	(5.5)	
Intangible assets	411.4	392.2	(19.1)	*2
Investments accounted for using the equity method	1.1	0.9	(0.2)	
Other financial assets	17.2	15.2	(2.0)	
Deferred tax assets	14.4	15.5	1.1	
Other non-current assets	9.6	10.4	0.8	
Non-current assets	1,121.0	1,085.0	(36.0)	
Total assets	1,567.3	1,510.9	(56.4)	
Bonds and borrowings	74.7	96.9	22.2	*3
Trade and other payables	322.5	300.5	(21.9)	
Other financial liabilities	38.4	35.0	(3.4)	
Accrued income taxes	18.8	14.2	(4.6)	
Provisions	1.5	1.9	0.4	
Other current liabilities	6.0	5.8	(0.3)	
Current liabilities	461.9	454.3	(7.6)	
Bonds and borrowings	132.7	114.3	(18.4)	*4
Other financial liabilities	45.8	46.0	0.2	
Post-employment benefit liabilities	15.4	15.4	(0.0)	
Provisions	2.6	2.2	(0.4)	
Deferred tax liabilities	65.8	62.6	(3.2)	
Other non-current liabilities	5.6	4.7	(0.8)	
Non-current liabilities	267.8	245.2	(22.6)	
Total liabilities	729.7	699.6	(30.2)	
Total equity attributable to owners of the Company	756.6	730.6	(26.0)	
Non-controlling interests	81.0	80.7	(0.3)	
Total equity	837.6	811.3	(26.3)	
Total liabilities and equity	1,567.3	1,510.9	(56.4)	

*1 The decrease is mainly due to the impact of foreign exchange.

*2 The decrease is mainly due to the impact of foreign exchange.

*3 The increase is mainly due to the impact of an increase in commercial papers.

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

5. Summary of Consolidated Statements of Cash Flows

(Billions of yen)

	Three months ended March 31, 2019	Three months ended March 31, 2020	Increase (decrease)
Profit before tax for the period	17.5	19.8	2.3
Depreciation and amortization	18.0	17.8	(0.2)
Other	(31.4)	(23.3)	8.1
Cash flows from operating activities	4.1	14.2	10.1
Payments for capital expenditures	(14.3)	(17.0)	(2.7)
Other	0.0	0.4	0.4
Cash flows from investing activities	(14.3)	(16.6)	(2.3)
Increase (decrease) in interest-bearing debt	(31.3)	6.0	37.3
Dividends paid to owners of the Company	(12.1)	(12.1)	0.0
Dividends paid to non-controlling interests	(0.1)	(0.7)	(0.6)
Cash flows from financing activities	(43.4)	(6.7)	36.6
Net increase (decrease) in cash and cash equivalents	(53.5)	(9.1)	44.4
Effects of exchange rate changes	0.8	(4.5)	(5.3)

6. Other Information

<Sales Volume of Major Brands in Japan Business> * On the basis of shipment volumes

(Million cases)

	Three months ended March 31, 2019		Three months ended March 31, 2020	
	Actual	Increase (decrease)	Actual	Increase (decrease)
<i>Suntory Tennensui</i>	23.1	4%	24.7	7%
<i>Boss</i>	25.6	6%	24.8	(3)%
<i>Iyemon</i>	11.7	(2)%	10.5	(11)%
<i>Suntory Oolong Tea</i>	5.3	(5)%	4.9	(8)%
<i>Pepsi</i>	4.0	(2)%	3.8	(5)%
<i>Green DAKARA</i>	5.9	20%	6.7	13%
FOSHU drinks and functional beverages	4.9	(5)%	5.1	3%
Total	95.4	2%	93.1	(2)%

* The portions of the sales volume supplied from other soft drink manufacturers such as Japan Beverage Holdings Inc. are not included in the above figures.

<Sales Volume of Major Brands in Europe Business>

(Million liters)

	Three months ended March 31, 2019		Three months ended March 31, 2020	
	Actual	Increase (decrease)	Actual	Increase (decrease)
<i>Orangina</i> (France)	35	6%	33	(4)%
<i>Oasis</i> (France)	61	(2)%	58	(4)%
<i>Schweppes</i> (Spain, Portugal)	24	(2)%	23	(5)%
<i>Lucozade</i> (UK, Ireland)	90	14%	91	1%
<i>Ribena</i> (UK, Ireland)	21	(11)%	17	(17)%