

# Financial Results for Q1 Year Ending December 31, 2020

May 8, 2020  
Suntory Beverage & Food Limited

- **Major changes in business environment since March due to the COVID-19 outbreak**
  - **Changes in consumer behavior**
  - **Changes in purchasing/drinking occasions**
  - **Changes in product selection (preferences)**

<b>Revenue</b>	<b>Jan-Mar YoY</b>	<b>Mar YoY</b>
<b>Japan</b>	<b>-3%</b>	<b>-9%</b>
<b>Europe</b>	<b>-2%</b>	<b>-12%</b>
<b>Asia</b>	<b>-2%</b>	<b>-10%</b>
<b>Oceania</b>	<b>5%</b>	<b>0%</b>
<b>Americas</b>	<b>5%</b>	<b>10%</b>

\*currency neutral basis for overseas figures

**【Continue with focus】**

- Management with long-term perspective
- Brand investment
- Mid- to long-term structural reform for sustainable growth and stronger earning power

**【Activities aligned with changes in the business environment】**

- Safety and security of employees and their families as the first priority
- Continuous production and sales never to disrupt the product pipeline
- Maximization of opportunities by capturing changes in customer preferences and purchasing occasions
- Overall cost review from scratch

# Our Actions to Tackle COVID-19



# Financial Results for Q1 FY2020

(JPY BN)

	FY2019 Jan-Mar	FY2020 Jan-Mar	Change			
			YoY	Currency Neutral	%YoY	Currency Neutral
Revenue	285.7 BN	277.2 BN	-8.5	-4.8	-3.0%	-1.7%
Operating Income	17.8 BN	19.8 BN	+2.1	+2.3	+11.6%	+13.2%
Operating Income (Organic basis*1)	18.0 BN	20.1 BN	+2.0	+2.3	+11.3%	+13.0%
Net Income*2	10.7 BN	12.7 BN	+2.0	+2.2	+18.8%	+20.5%

\*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 Q1 FY2020 (by Segment)

(JPY BN)

	Revenue	Change				Segment Profit	Change			
		YoY	Currency Neutral	%YoY	Currency Neutral		YoY	Currency Neutral	%YoY	Currency Neutral
Japan	146.8 BN	-3.9	-	-2.6%	-	7.1 BN	+0.6	-	+9.4%	-
Europe	44.0	-2.8	-0.9	-5.9%	-2.1%	4.8	+0.7	+0.8	+17.2%	+21.5%
Organic							+0.6	+0.7	+13.7%	+17.9%
Asia	55.1	-1.9	-1.4	-3.4%	-2.4%	7.8	+0.7	+0.7	+9.7%	+10.5%
Organic							+0.7	+0.7	+9.7%	+10.5%
Oceania	12.4	-0.5	+0.6	-3.9%	+5.0%	1.4	+0.1	+0.1	+3.8%	+9.4%
Americas	19.0	+0.7	+0.9	+3.7%	+5.0%	1.5	-0.0	+0.0	-1.0%	+0.2%
Reconciliation						-2.7	+0.0	+0.0		
<b>Total</b>	<b>277.2</b>	<b>-8.5</b>	<b>-4.8</b>	<b>-3.0%</b>	<b>-1.7%</b>	<b>19.8</b>	<b>+2.1</b>	<b>+2.3</b>	<b>+11.6%</b>	<b>+13.2%</b>
Organic						20.1	+2.0	+2.3	+11.3%	+13.0%



		(JPY BN)	
Revenue	%YoY	Segment Profit	%YoY
146.8 BN	-2.6%	7.1 BN	+9.4%

- Sales volume fell by 2% in total due to requests to refrain from outings started in March
- Vending machine channel in particular plunged in sales volume
- Segment Profit rose YoY due to price increase for large format PET products, cost saving efforts and the shift of sales promotion and advertising to Q2 and beyond





(JPY BN)

Revenue

44.0 BN

%YoY

-5.9%

Currency  
Neutral

-2.1%

Segment Profit

4.8 BN

%YoY

+17.2%

Currency  
Neutral

+21.5%

Revenue

%YoY

Currency  
Neutral
**France**  
 (\*1)

18.6 BN

-7.1%

-3.2%

Weak on-premise market due to lockdown. Revenue fell due to *Orangina* and *Oasis* sales decline

**UK**  
 (\*2)

13.3 BN

-1.3%

+1.8%

Supermarket channel grew by stockpiling demand. Revenue increased on a currency neutral basis

**Spain**  
 (\*3)

7.5 BN

-15.4%

-11.8%

Lockdown led to rapid deterioration of on-premise market and Revenue drop

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



Revenue		%YoY	Currency Neutral	Segment Profit		%YoY	Currency Neutral
55.1	BN	-3.4%	-2.4%	7.8	BN	+9.7%	+10.5%

(JPY BN)

	Revenue	%YoY	Currency Neutral	
Beverage (Vietnam)	20.8 BN	+0.2%	+2.4%	<i>Aquafina</i> and the RTD tea <i>TEA+</i> underpinned performance
Beverage (Thailand)	16.0 BN	-1.0%	-0.7%	Core brands slowed down due to lockdown from March
Health Supplement	12.1 BN	-9.5%	-9.8%	<i>Bird's Nest</i> hit hard by decrease in the number of Chinese tourists



**Oceania**
**Revenue**
**12.4** BN

**%YoY**
**-3.9%**
**Currency  
Neutral**
**+5.0%**
**Segment Profit**
**1.4** BN

**%YoY**
**+3.8%**
**Currency  
Neutral**
**+9.4%**

(JPY BN)

**Revenue**

Frucor Suntory

**9.4** BN

**%YoY**
**-4.7%**
**Currency  
Neutral**
**+3.9%**

Fresh Coffee Business

**2.9** BN

**-2.6%**
**+6.8%**
**Americas**
**Revenue**
**19.0** BN

**%YoY**
**+3.7%**
**Currency  
Neutral**
**+5.0%**
**Segment Profit**
**1.5** BN

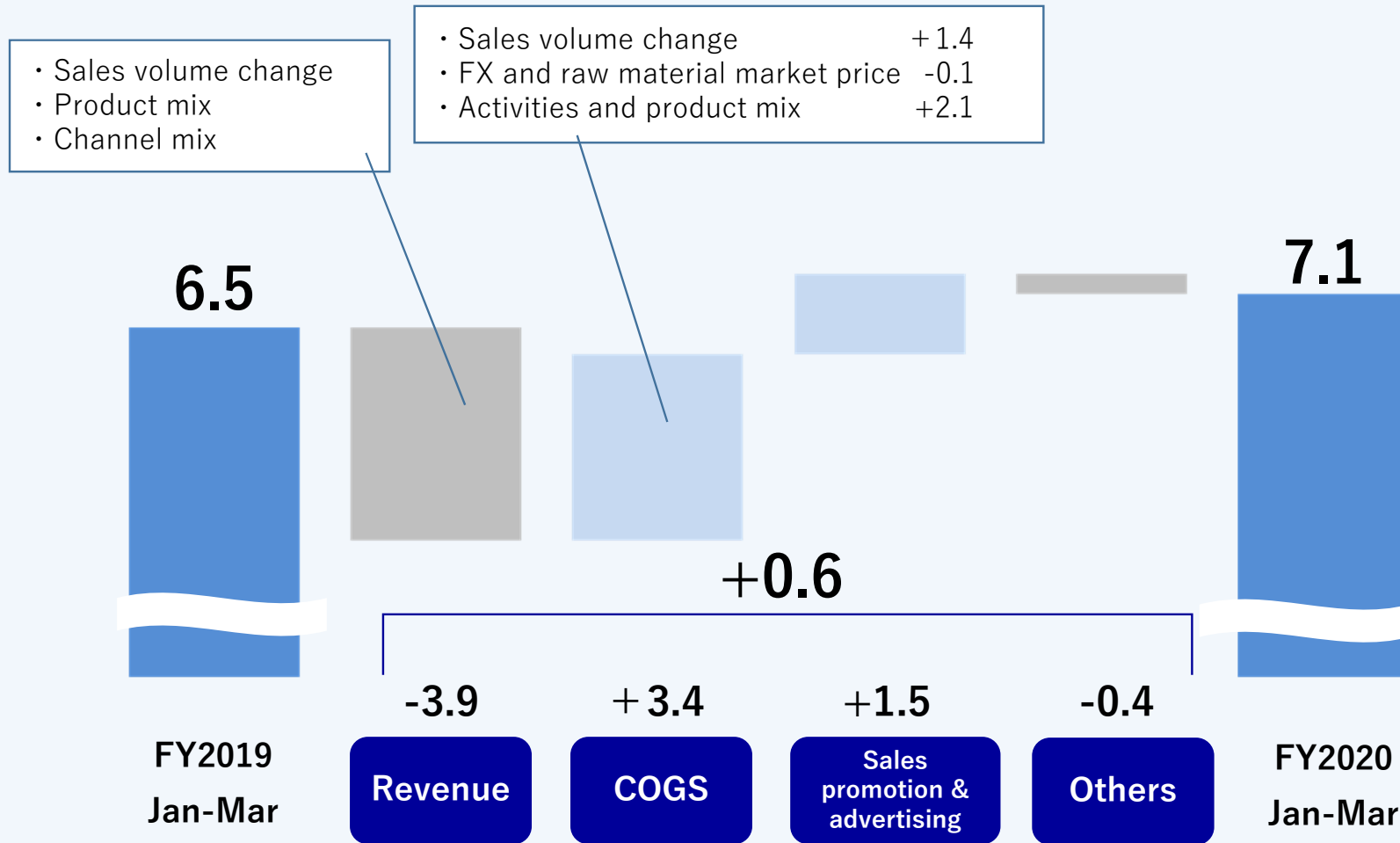
**%YoY**
**-1.0%**
**Currency  
Neutral**
**+0.2%**

# **SUNTORY**

## **SUNTORY BEVERAGE & FOOD**

# Segment Profit Bridge for Q1 FY2020

(JPY BN)



# Sales Volume of Major Brands

## Japan

(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 Foods with Function Claims	4.9	-5%	5.1	3%
<b>Total</b>	<b>95.4</b>	<b>2%</b>	<b>93.1</b>	<b>-2%</b>

## Europe

(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%

\* On the basis of shipment volume

\* 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.

## Exchange Rates

(JPY, average of period)

	FY2019 Jan-Mar	FY2020 Jan-Mar	FY2020 Forecast
U.S. Dollar	110.2	108.9	109
Euro	125.2	120.1	122
British Pound	143.7	139.3	143
Singapore Dollar	81.4	78.6	81
Thai Baht	3.5	3.5	3.6
Vietnam Dong	0.0048	0.0047	0.0047
New Zealand Dollar	75.1	69.1	73
Australian Dollar	78.5	71.6	76



## ■ 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.**