

Financial Results for Q3 Year Ending December 31, 2020

November 4, 2020
Suntory Beverage & Food Limited

- **Major changes in business environment since March due to the COVID-19 outbreak**
- **Market trend recovering since June along with resumption of people movement**
- **“with-COVID” as new normal**
- **Unseasonable weather in peak season (long rainy season in Japan)**

| Revenue | Jan-Mar YoY | Apr-Jun YoY | Jul-Sep YoY |
|--------------|----------------|----------------|----------------|
| Japan | -3% | -18% | -8% |
| Europe | -2% | -29% | -6% |
| Asia | -2% | -13% | -4% |
| Oceania | 5% | -7% | 5% |
| Americas | 5% | -7% | 9% |
| Total | -2% | -18% | -6% |

*currency neutral basis for overseas figures

Financial Results for Q3 FY2020 (9 months)

(JPY BN)

| | FY2019 Jan-Sep | FY2020 Jan-Sep | Change | | | |
|---------------------------------------|-------------------|-------------------|--------|---------------------|--------|---------------------|
| | | | YoY | Currency Neutral | %YoY | Currency Neutral |
| Revenue | 980.6 BN | 886.2 BN | -94.4 | -85.4 | -9.6% | -8.8% |
| Operating Income | 90.6 BN | 77.3 BN | -13.3 | -12.4 | -14.7% | -13.9% |
| Operating Income (Organic basis*1) | 91.2 BN | 77.8 BN | -13.4 | -12.5 | -14.7% | -13.9% |
| Net Income*2 | 57.8 BN | 47.3 BN | -10.5 | -10.2 | -18.2% | -17.7% |

*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 FY2020 by Segment (9 months)

(JPY BN)

| | Revenue | Change | | | | Segment Profit | Change | | | |
|----------------|--------------|--------------|------------------|--------------|------------------|----------------|--------------|------------------|---------------|------------------|
| | | YoY | Currency Neutral | %YoY | Currency Neutral | | YoY | Currency Neutral | %YoY | Currency Neutral |
| Japan | 481.7 BN | -53.7 | | -10.0% | | 29.6 BN | -14.4 | | -32.7% | |
| Europe | 149.1 | -25.2 | -22.6 | -14.5% | -13.2% | 24.3 | -3.0 | -2.6 | -11.0% | -9.6% |
| Organic | | | | | | | -3.3 | -2.9 | -11.9% | -10.6% |
| Asia | 156.0 | -14.2 | -10.7 | -8.4% | -6.4% | 21.5 | +3.9 | +4.2 | +22.1% | +24.3% |
| Organic | | | | | | | +3.8 | +4.1 | +21.3% | +23.6% |
| Oceania | 36.9 | -1.5 | +0.4 | -3.9% | +1.2% | 3.9 | +0.4 | +0.5 | +12.4% | +14.5% |
| Americas | 62.5 | +0.3 | +1.2 | +0.5% | +2.0% | 6.0 | -0.5 | -0.4 | -7.4% | -6.0% |
| Reconciliation | | | | | | -8.1 | +0.2 | +0.2 | | |
| Total | 886.2 | -94.4 | -85.4 | -9.6% | -8.8% | 77.3 | -13.3 | -12.4 | -14.7% | -13.9% |
| Organic | | | | | | 77.8 | -13.4 | -12.5 | -14.7% | -13.9% |

| | | (JPY BN) | |
|----------|--------|----------------|--------|
| Revenue | %YoY | Segment Profit | %YoY |
| 481.7 BN | -10.0% | 29.6 BN | -32.7% |

- Beverage market on a recovery trend since June post lifting of requests to refrain from outings. Negative growth year on year due to unseasonable weather and continued downward trend in the vending machine and convenience store channels
- Sales volume fell by 6%, less severe than the market, with core brands strengthening and *Iyemon* renewal's contribution
- Thorough cost reviews mitigated decrease in segment profit



| | | | | (JPY BN) | |
|----------|--|--------|------------------|----------------|--|
| Revenue | | %YoY | Currency Neutral | Segment Profit | |
| | | %YoY | Currency Neutral | | |
| 149.1 BN | | -14.5% | -13.2% | 24.3 BN | |
| | | | | -11.0% | |
| | | | | -9.6% | |

| Revenue | %YoY | Currency Neutral |
|---------|------|------------------|
|---------|------|------------------|

| | | | |
|----------------|---------|-------|-------|
| France (*1) | 68.2 BN | -8.3% | -7.0% |
|----------------|---------|-------|-------|

Recovery trend since June. Good weather in summer led *Orangina* and *Oasis*' sales volume to surpass last year

| | | | |
|------------|---------|--------|-------|
| UK (*2) | 41.3 BN | -10.6% | -9.1% |
|------------|---------|--------|-------|

Continued strength in *Lucozade Energy*. *Lucozade Sport* recovering following resumption of sporting activities

| | | | |
|---------------|---------|--------|--------|
| Spain (*3) | 25.4 BN | -33.0% | -32.1% |
|---------------|---------|--------|--------|

Sluggish on-premise market due to ongoing restrictions in opening hours

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



Financial Results for Q3 FY2020 (9 months)

| | | | | (JPY BN) | |
|----------|-------|------------------|----------------|----------|------------------|
| Revenue | %YoY | Currency Neutral | Segment Profit | %YoY | Currency Neutral |
| 156.0 BN | -8.4% | -6.4% | 21.5 BN | +22.1% | +24.3% |

| | Revenue | %YoY | Currency Neutral | |
|---------------------|---------|--------|------------------|------------------------------------------------------------------------------------------|
| Beverage (Vietnam) | 58.8 BN | -7.0% | -5.4% | Continued market slowdown led to revenue decrease |
| Beverage (Thailand) | 48.2 BN | -0.6% | +1.8% | Revenue grew by successful pricing and format strategy and low-sugar portfolio |
| Health Supplement | 32.3 BN | -13.3% | -12.2% | <i>Bird's Nest</i> continued to struggle with decrease in the number of Chinese tourists |



Financial Results for Q3 FY2020 (9 months)

(JPY BN)

Oceania

Revenue

36.9 BN

%YoY

-3.9%

Currency
Neutral

+1.2%

Segment Profit

3.9 BN

%YoY

+12.4%

Currency
Neutral

+14.5%

Revenue

Frucor Suntory

28.2 BN

%YoY

-2.4%

Currency
Neutral

+2.9%

Fresh Coffee Business

8.8 BN

-8.4%

-3.9%

Americas

Revenue

62.5 BN

%YoY

+0.5%

Currency
Neutral

+2.0%

Segment Profit

6.0 BN

%YoY

-7.4%

Currency
Neutral

-6.0%

Revision of FY2020 Forecast

FY2020 Forecast (IFRS)

(JPY BN)

| | FY2019 results | FY2020 revised forecast | Change | | | |
|----------------------------------------|-------------------|-------------------------------|--------|---------------------|--------|---------------------|
| | | | YoY | Currency Neutral | %YoY | Currency Neutral |
| Revenue | 1,299.4 BN | 1,185.0 BN | -114.4 | -102.9 | -8.8% | -8.0% |
| Operating Income | 113.9 | 95.0 | -18.9 | -17.7 | -16.6% | -15.7% |
| Operating Income (Organic basis *1) | 117.1 | 96.0 | -21.1 | -19.9 | -18.0% | -17.1% |
| Net Income *2 | 68.9 | 53.5 | -15.4 | -14.9 | -22.3% | -21.8% |

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

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

FY2020 Forecast (IFRS) (by Segment)

(JPY BN)

| | Revenue | Change | | | | Segment Profit | Change | | | |
|-----------------|-----------------|--------|------------------|--------|------------------|----------------|--------|------------------|--------|------------------|
| | | YoY | Currency Neutral | %YoY | Currency Neutral | | YoY | Currency Neutral | %YoY | Currency Neutral |
| Japan | 636.0 BN | -68.3 | — | -9.7% | — | 35.0 BN | -18.5 | — | -34.5% | — |
| Europe | 195.0 | -27.5 | -25.9 | -12.3% | -11.7% | 30.0 | -3.0 | -2.8 | -9.1% | -8.4% |
| Organic | | | | | | | -5.0 | -4.8 | -14.3% | -13.7% |
| Asia | 214.0 | -17.7 | -11.3 | -7.6% | -5.0% | 29.0 | +3.8 | +4.5 | +15.2% | +18.4% |
| Organic | | | | | | | +3.6 | +4.3 | +14.1% | +17.2% |
| Oceania | 52.0 | -1.2 | +0.7 | -2.3% | +1.3% | 6.5 | +0.4 | +0.5 | +5.9% | +8.1% |
| Americas | 88.0 | +0.2 | +1.8 | +0.3% | +2.1% | 8.0 | -0.2 | -0.1 | -2.9% | -1.2% |
| Reconciliation | | | | | | -13.5 | -1.4 | -1.4 | | |
| Total | 1,185.0 | -114.4 | -102.9 | -8.8% | -8.0% | 95.0 | -18.9 | -17.7 | -16.6% | -15.7% |
| Organic | | | | | | 96.0 | -21.1 | -19.9 | -18.0% | -17.1% |

SUNTORY
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■ Results for Q3 FY2020 (3 months, IFRS)

| | (JPY BN) | | | | | |
|----------------------------------------|-------------------|-------------------|--------|---------------------|-------|---------------------|
| | FY2019 Jul-Sep | FY2020 Jul-Sep | Change | | | |
| | | | YoY | Currency Neutral | %YoY | Currency Neutral |
| Revenue | 352.8 BN | 333.7 BN | -19.1 | -19.9 | -5.4% | -5.6% |
| Operating Income | 39.7 BN | 41.6 BN | +1.9 | +1.8 | +4.8% | +4.6% |
| Operating Income (Organic basis *1) | 39.8 BN | 41.7 BN | +1.9 | +1.9 | +4.9% | +4.8% |
| Net Income *2 | 26.0 BN | 26.3 BN | +0.3 | +0.1 | +1.2% | +0.9% |

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

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

FY2020 Quarterly Revenue (IFRS)

(JPY BN)

| | Q1 (Jan-Mar) | Change | | | | Q2 (Apr-Jun) | Change | | | | Q3 (Jul-Sep) | Change | | | | |
|----------|-----------------|--------|------------------|-------|-------|-----------------|--------|------------------|--------|--------|-----------------|--------|------------------|-------|-------|------------------|
| | | YoY | Currency Neutral | | %YoY | | YoY | Currency Neutral | | %YoY | | YoY | Currency Neutral | | %YoY | Currency Neutral |
| | | | | | | | | | | | | | | | | |
| Japan | 146.8 | -3.9 | — | -2.6% | — | 151.9 | -33.4 | — | -18.0% | — | 183.0 | -16.4 | — | -8.2% | — | |
| Europe | 44.0 | -2.8 | -0.9 | -5.9% | -2.1% | 43.6 | -20.7 | -17.8 | -32.2% | -29.0% | 61.4 | -1.8 | -3.8 | -2.8% | -5.9% | |
| Asia | 55.1 | -1.9 | -1.4 | -3.4% | -2.4% | 49.4 | -8.8 | -7.2 | -15.1% | -12.7% | 51.5 | -3.5 | -2.2 | -6.3% | -4.1% | |
| Oceania | 12.4 | -0.5 | 0.6 | -3.9% | +5.0% | 10.7 | -1.8 | -0.8 | -14.6% | -6.8% | 13.8 | 0.8 | 0.6 | +6.5% | +4.7% | |
| Americas | 19.0 | 0.7 | 0.9 | +3.7% | +5.0% | 19.6 | -2.0 | -1.6 | -9.4% | -7.4% | 23.9 | 1.7 | 1.9 | +7.5% | +8.7% | |
| Total | 277.2 | -8.5 | -4.8 | -3.0% | -1.7% | 275.3 | -66.8 | -60.8 | -19.5% | -18.1% | 333.7 | -19.1 | -19.9 | -5.4% | -5.6% | |

FY2020 Quarterly Segment Profit (IFRS)

(JPY BN)

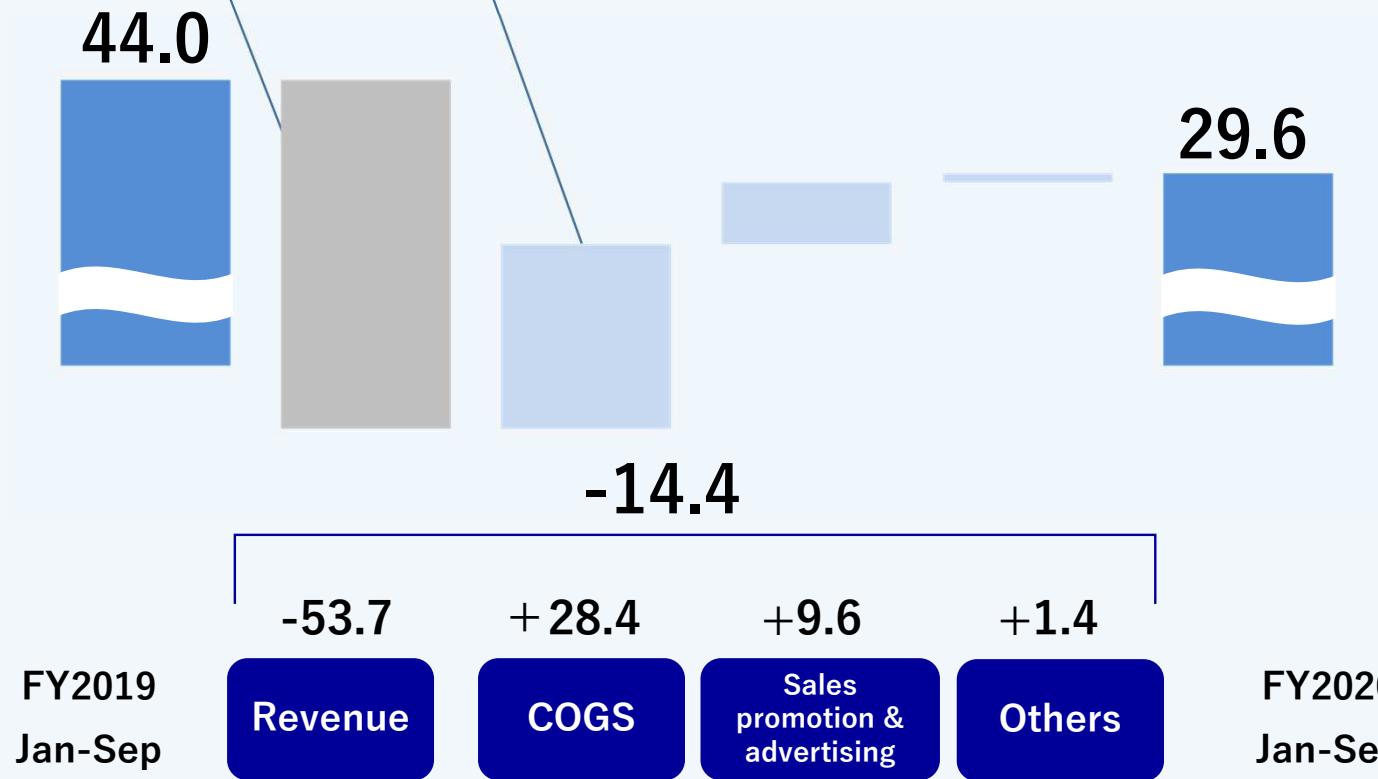
| | Q1 (Jan-Mar) | Change | | | | Q2 (Apr-Jun) | Change | | | | Q3 (Jul-Sep) | Change | | | |
|----------------|-----------------|--------|---------------------|--------|---------------------|-----------------|--------|---------------------|--------|---------------------|-----------------|--------|---------------------|---------|---------------------|
| | | YoY | Currency Neutral | %YoY | Currency Neutral | | YoY | Currency Neutral | %YoY | Currency Neutral | | YoY | Currency Neutral | %YoY | Currency Neutral |
| Japan | 7.1 | +0.6 | - | +9.4% | - | 4.0 | -12.2 | - | -75.3% | - | 18.6 | -2.8 | - | -13.1% | - |
| Europe | 4.8 | +0.7 | +0.8 | +17.2% | +21.5% | 5.7 | -4.8 | -4.4 | -45.7% | -43.3% | 13.8 | +1.1 | +0.9 | +9.1% | +7.4% |
| Organic | | +0.6 | +0.7 | +13.7% | +17.9% | | -5.1 | -4.7 | -47.2% | -44.9% | | +1.3 | +1.0 | +10.1% | +8.2% |
| Asia | 7.8 | +0.7 | +0.7 | +9.7% | +10.5% | 6.9 | +1.3 | +1.4 | +22.7% | +26.0% | 6.9 | +1.9 | +2.1 | +39.1% | +42.7% |
| Organic | | +0.7 | +0.7 | +9.7% | +10.5% | | +1.3 | +1.4 | +22.9% | +26.2% | | +1.8 | +1.9 | +35.9% | +39.4% |
| Oceania | 1.4 | +0.1 | +0.1 | +3.8% | +9.4% | 0.5 | -0.7 | -0.7 | -57.5% | -55.6% | 2.0 | +1.1 | +1.0 | +123.8% | +110.0% |
| Americas | 1.5 | -0.0 | +0.0 | -1.0% | +0.2% | 1.4 | -0.8 | -0.8 | -36.3% | -35.0% | 3.0 | +0.4 | +0.4 | +13.1% | +14.5% |
| Reconciliation | -2.7 | 0.0 | 0.0 | | | -2.7 | 0.0 | 0.0 | | | -2.6 | +0.2 | +0.2 | | |
| Total | 19.8 | +2.1 | +2.3 | +11.6% | +13.2% | 15.9 | -17.2 | -16.6 | -52.1% | -51.1% | 41.6 | +1.9 | +1.8 | +4.8% | +4.6% |
| Organic | 20.1 | +2.0 | +2.3 | +11.3% | +13.0% | 16.0 | -17.4 | -16.7 | -52.1% | -51.1% | 41.7 | +1.9 | +1.9 | +4.9% | +4.8% |

Segment Profit Bridge for Q3 FY2020 (9 months)

(JPY BN)

- Sales volume change
- Product mix
- Channel mix

- Sales volume change +11.5
- FX and commodity market prices +0.1
- Activities and product mix +16.8



Sales Volume of Major Brands

Japan

| (Million cases) | Q3 FY2019 | | Q3 FY2019 | | FY2020 Forecast | |
|---------------------------------------------|--------------|---------------------|--------------|---------------------|-----------------|---------------------|
| | Actual | Increase (decrease) | Actual | Increase (decrease) | Forecast | Increase (decrease) |
| <i>Suntory Tennensui</i> | 86.3 | -6% | 88.3 | 2% | 113.7 | 1% |
| <i>Boss</i> | 82.3 | 6% | 75.4 | -8% | 103.0 | -8% |
| <i>Iyemon</i> | 38.5 | -6% | 41.9 | 9% | 55.0 | 7% |
| <i>Suntory Oolong Tea</i> | 18.9 | -7% | 15.4 | -18% | 21.0 | -16% |
| <i>PEPSI</i> | 15.7 | 1% | 12.8 | -18% | 17.0 | -16% |
| <i>Green DAKARA</i> | 34.6 | 12% | 35.2 | 2% | 42.4 | 0% |
| FOSHU drinks and Foods with Function Claims | 17.8 | 2% | 16.9 | -5% | 22.2 | -5% |
| Total | 347.4 | -2% | 327.1 | -6% | 429.5 | -6% |

* 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.

Europe

| (Million liters) | Q3 FY2019 | | Q3 FY2020 | |
|------------------------------------|-----------|---------------------|-----------|---------------------|
| | Actual | Increase (decrease) | Actual | Increase (decrease) |
| <i>Orangina</i> (France) | 130 | -1% | 124 | -5% |
| <i>Oasis</i> (France) | 214 | -5% | 205 | -4% |
| <i>Schweppes</i> (Spain, Portugal) | 104 | 2% | 81 | -22% |
| <i>Lucozade</i> (UK, Ireland) | 312 | 7% | 291 | -6% |
| <i>Ribena</i> (UK, Ireland) | 67 | -15% | 58 | -13% |

Exchange Rates

(JPY, average of period)

| | FY2019 Jan-Sep | FY2020 Jan-Sep | FY2020 Forecast (as of Nov 4) | Previous Forecast (as of Feb 13) |
|--------------------|-------------------|-------------------|-------------------------------------|----------------------------------------|
| U.S. Dollar | 109.2 | 107.6 | 107 | 109 |
| Euro | 122.6 | 120.9 | 122 | 122 |
| British Pound | 139.0 | 136.7 | 137 | 143 |
| Singapore Dollar | 80.0 | 77.4 | 77 | 81 |
| Thai Baht | 3.5 | 3.4 | 3.4 | 3.6 |
| Vietnam Dong | 0.0047 | 0.0046 | 0.0046 | 0.0047 |
| New Zealand Dollar | 72.5 | 68.6 | 69 | 73 |
| Australian Dollar | 76.3 | 72.8 | 73 | 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.

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