

**Supplementary Material on Consolidated Financial Results for the First
Three Months of the Year Ending December 31, 2021**

<Results for the First Three Months of the Year Ending December 31, 2021>

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Suntory Beverage & Food Limited

May 12, 2021

<Results for the First Three Months of the Year Ending December 31, 2021>

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, 2020		Three months ended March 31, 2021		Increase (decrease)	
		Ratio to revenue		Ratio to revenue		
Revenue	277.2	100.0%	269.8	100.0%	(7.5)	(2.7)%
Gross profit	114.5	41.3%	111.2	41.2%	(3.2)	(2.8)%
Selling, general and administrative expenses	94.3	34.0%	91.3	33.8%	(3.0)	(3.2)%
Gain on investments accounted for using the equity method	0.0	0.0%	0.0	0.0%	0.0	35.7%
Other income	0.8	0.3%	0.5	0.2%	(0.3)	(33.1)%
Other expenses	1.2	0.4%	0.7	0.3%	(0.5)	(41.3)%
Operating income	19.8	7.2%	19.8	7.3%	(0.0)	(0.2)%
Finance income	0.6	0.2%	0.2	0.1%	(0.4)	(63.6)%
Finance costs	0.6	0.2%	0.5	0.2%	(0.2)	(26.0)%
Profit before tax for the period	19.8	7.1%	19.5	7.2%	(0.2)	(1.1)%
Income tax expense	4.1	1.5%	5.0	1.8%	0.9	21.2%
Profit for the period	15.6	5.6%	14.5	5.4%	(1.1)	(7.0)%
Profit for the period attributable to non-controlling interests	2.9	1.1%	3.9	1.4%	1.0	33.0%
Profit for the period attributable to owners of the Company	12.7	4.6%	10.7	4.0%	(2.1)	(16.2)%

(2) Other Indices

(Billions of yen)

		Three months ended March 31, 2020		Three months ended March 31, 2021		Increase (decrease)	
Depreciation		17.8		17.4		(0.4)	(2.4)%
Operating income	Operating margin	19.8	7.2%	19.8	7.3%	(0.0)	(0.2)%
EBITDA *1	EBITDA margin	38.0	13.7%	37.4	13.8%	(0.7)	(1.8)%

*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 March 31, 2020		As at March 31, 2021		Increase (decrease)	
Total assets		1,574.3		1,628.2		53.9	3.4%
Total equity		859.6		891.9		32.3	3.8%
D/E ratio (Times) *2		0.1		0.1			

*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, 2020	Three months ended March 31, 2021
USD	108.9	107.2
EUR	120.1	128.5
GBP	139.3	148.6
SGD	78.6	80.3
THB	3.5	3.5
VND	0.0047	0.0047
NZD	69.1	77.0
AUD	71.6	82.8

2. Revenue Details

(Billions of yen)

	Three months ended March 31, 2020	Three months ended March 31, 2021	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	146.8	134.2	(12.6)	(8.6)%	–	
Asia Pacific	67.5	73.5	6.0	8.9%	6.2%	
Europe	44.0	41.7	(2.3)	(5.3)%	(11.3)%	
Americas	19.0	20.4	1.4	7.4%	9.0%	
Reconciliations	–	–	–	–	–	
Consolidation total	277.2	269.8	(7.5)	(2.7)%	(4.2)%	

* Due to the organizational changes, the previous segments of “Asia” and “Oceania” were merged and are now presented as “Asia Pacific.”

3. Profit Details

(1) EBITDA

(Billions of yen)

	Three months ended March 31, 2020	Three months ended March 31, 2021	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	16.8	13.1	(3.6)	(21.7)%	–	
Asia Pacific	13.0	16.4	3.4	26.4%	24.8%	*1
Europe	7.8	7.0	(0.9)	(10.9)%	(16.7)%	
Americas	2.4	3.0	0.6	26.8%	28.8%	
Reconciliations	(1.9)	(2.1)	(0.2)	–	–	*2
Consolidation total	38.0	37.4	(0.7)	(1.8)%	(3.5)%	

*1 Due to the organizational changes, the previous segments of “Asia” and “Oceania” were merged and are now presented as “Asia Pacific.”

*2 “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.

(2) Segment Profit

(Billions of yen)

	Three months ended March 31, 2020	Three months ended March 31, 2021	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	7.1	4.0	(3.1)	(44.0)%	–	
Asia Pacific	9.2	12.7	3.5	38.5%	36.0%	*1
Europe	4.8	4.0	(0.8)	(16.2)%	(21.6)%	
Americas	1.5	2.0	0.5	36.3%	38.4%	
Reconciliations	(2.7)	(2.9)	(0.2)	–	–	*2
Consolidation total	19.8	19.8	(0.0)	(0.2)%	(2.3)%	

*1 Due to the organizational changes, the previous segments of “Asia” and “Oceania” were merged and are now presented as “Asia Pacific.”

*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.

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

(Billions of yen)

Segment profit for the three months ended March 31, 2020	7.1
Decrease in revenue	(12.6)
Decrease in cost of goods sold	6.2
Decrease in sales promotion and advertising costs	1.9
Decrease in other expenses	1.4
Segment profit for the three months ended March 31, 2021	4.0

4. Summary of Consolidated Statement of Financial Position

(Billions of yen)

	As at December 31, 2020	As at March 31, 2021	Increase (decrease)	Reference
Cash and cash equivalents	167.5	176.4	8.9	
Trade and other receivables	196.2	190.2	(6.0)	
Other financial assets	0.7	0.8	0.1	
Inventories	79.3	86.8	7.5	
Other current assets	23.5	22.7	(0.8)	
Current assets	467.2	477.0	9.8	
Property, plant and equipment	360.4	376.8	16.4	*1
Right-of-use assets	50.8	52.2	1.5	
Goodwill	250.4	254.7	4.3	
Intangible assets	405.2	426.3	21.1	*2
Investments accounted for using the equity method	0.9	1.0	0.1	
Other financial assets	14.5	15.4	0.9	
Deferred tax assets	15.5	16.4	0.9	
Other non-current assets	9.4	8.5	(1.0)	
Non-current assets	1,107.1	1,151.2	44.1	
Total assets	1,574.3	1,628.2	53.9	
Bonds and borrowings	83.4	96.0	12.6	*3
Trade and other payables	308.4	317.7	9.3	
Other financial liabilities	33.5	37.2	3.6	
Accrued income taxes	14.6	13.1	(1.6)	
Provisions	1.6	2.8	1.2	
Other current liabilities	5.0	5.8	0.8	
Current liabilities	446.5	472.5	26.0	
Bonds and borrowings	120.3	110.8	(9.5)	*4
Other financial liabilities	52.9	56.0	3.1	
Post-employment benefit liabilities	15.1	15.4	0.3	
Provisions	2.3	2.3	0.0	
Deferred tax liabilities	71.7	73.7	2.0	
Other non-current liabilities	6.0	5.6	(0.3)	
Non-current liabilities	268.2	263.8	(4.4)	
Total liabilities	714.7	736.3	21.6	
Total equity attributable to owners of the Company	781.8	806.2	24.5	
Non-controlling interests	77.8	85.7	7.9	
Total equity	859.6	891.9	32.3	
Total liabilities and equity	1,574.3	1,628.2	53.9	

*1 The increase is mainly due to the impact of new construction of buildings.

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

*3 The increase is mainly due to the transfer from non-current liabilities (long-term borrowings) to current liabilities (current portion of long-term borrowings) and 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, 2020	Three months ended March 31, 2021	Increase (decrease)
Profit before tax for the period	19.8	19.5	(0.2)
Depreciation and amortization	17.8	17.4	(0.4)
Other	(23.3)	(2.3)	21.0
Cash flows from operating activities	14.2	34.6	20.4
Payments for capital expenditures	(17.0)	(11.2)	5.8
Payments for transfer of business	–	(2.2)	(2.2)
Other	0.4	(0.2)	(0.6)
Cash flows from investing activities	(16.6)	(13.6)	3.0
Increase (decrease) in interest-bearing debt	6.0	(2.7)	(8.7)
Dividends paid to owners of the Company	(12.1)	(12.1)	–
Dividends paid to non-controlling interests	(0.7)	(0.4)	0.3
Cash flows from financing activities	(6.7)	(15.1)	(8.4)
Net increase (decrease) in cash and cash equivalents	(9.1)	6.0	15.0
Effects of exchange rate changes	(4.5)	3.0	7.4

6. Other Information

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

(Million cases)

	Three months ended March 31, 2020		Three months ended March 31, 2021	
	Actual	Increase (decrease)	Actual	Increase (decrease)
<i>Suntory Tennensui</i>	24.7	7%	24.3	(2)%
<i>Boss</i>	24.8	(3)%	23.2	(6)%
<i>Iyemon</i>	10.5	(11)%	12.1	15%
<i>Green DAKARA</i>	6.7	13%	6.1	(8)%
<i>Suntory Oolong Tea</i>	4.9	(8)%	3.8	(22)%
<i>Pepsi</i>	3.8	(5)%	3.8	0%
FOSHU drinks and functional beverages	5.1	3%	4.8	(6)%
Total	93.1	(2)%	88.8	(5)%

* Syrup products are converted to 8oz; shipment basis

* 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.

* For reference: year-on-year change in total sales volume on an actual box basis

First quarter of 2020: -2%; First quarter of 2021: -3%

<Sales Volume of Major Brands in Europe Business>

(Million liters)

	Three months ended March 31, 2020		Three months ended March 31, 2021	
	Actual	Increase (decrease)	Actual	Increase (decrease)
<i>Oasis (France)</i>	58	(4)%	56	(5)%
<i>Schweppes (France)</i>	31	1%	31	0%
<i>Orangina (France)</i>	33	(4)%	31	(6)%
<i>Lucozade (UK, Ireland)</i>	91	1%	82	(10)%
<i>Ribena (UK, Ireland)</i>	17	(17)%	19	7%
<i>Schweppes (Spain, Portugal)</i>	23	(5)%	18	(22)%