

**Supplementary Material on Consolidated Financial Results for the First
Nine Months of the Year Ending December 31, 2022**

<Results for the First Nine Months of the Year Ending December 31, 2022>

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Suntory Beverage & Food Limited

November 11, 2022

<Results for the First Nine Months of the Year Ending December 31, 2022>

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)

	Nine months ended September 30, 2021		Nine months ended September 30, 2022		Increase (decrease)	
		Ratio to revenue		Ratio to revenue		
Revenue	941.8	100.0%	1,081.4	100.0%	139.6	14.8%
Gross profit	393.8	41.8%	416.7	38.5%	22.8	5.8%
Selling, general and administrative expenses	292.4	31.0%	311.6	28.8%	19.3	6.6%
Gain on investments accounted for using the equity method	0.1	0.0%	0.2	0.0%	0.2	271.7%
Other income	1.6	0.2%	18.4	1.7%	16.8	–
Other expenses	2.7	0.3%	8.7	0.8%	6.0	217.8%
Operating income	100.3	10.7%	115.0	10.6%	14.6	14.6%
Finance income	0.6	0.1%	1.4	0.1%	0.8	125.9%
Finance costs	1.5	0.2%	1.5	0.1%	0.0	1.1%
Profit before tax for the period	99.4	10.6%	114.8	10.6%	15.4	15.5%
Income tax expense	29.2	3.1%	32.7	3.0%	3.5	12.1%
Profit for the period	70.3	7.5%	82.1	7.6%	11.9	16.9%
Profit for the period attributable to non-controlling interests	10.8	1.2%	14.1	1.3%	3.2	29.9%
Profit for the period attributable to owners of the Company	59.4	6.3%	68.0	6.3%	8.6	14.5%

(2) Other Indices

(Billions of yen)

		Nine months ended September 30, 2021		Nine months ended September 30, 2022		Increase (decrease)	
Depreciation		52.4		53.9		1.5	2.9%
Operating income	Operating margin	100.3	10.7%	115.0	10.6%	14.6	14.6%
EBITDA*1	EBITDA margin	153.9	16.3%	158.5	14.7%	4.6	3.0%

*1 EBITDA is calculated as operating income - other income + other expenses + depreciation.

		As at December 31, 2021		As at September 30, 2022		Increase (decrease)	
Total assets		1,676.9		1,835.4		158.5	9.4%
Total equity		944.0		1,064.1		120.2	12.7%
D/E ratio (Times) *2		0.04		(0.03)			

*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)

	Nine months ended September 30, 2021	Nine months ended September 30, 2022
USD	108.6	128.4
EUR	129.9	136.1
GBP	150.5	160.7
SGD	81.1	93.2
THB	3.5	3.7
VND	0.0047	0.0056
NZD	77.2	82.7
AUD	82.4	90.6

2. Revenue Details

(Billions of yen with fractional amounts rounded off)

	Nine months ended September 30, 2021	Nine months ended September 30, 2022	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	474.6	496.2	21.6	4.5%	–	
Asia Pacific	215.0	263.6	48.6	22.6%	9.9%	
Europe	177.9	224.9	47.0	26.4%	20.2%	
Americas	74.2	96.6	22.4	30.2%	10.2%	
Reconciliations	–	–	–	–	–	
Consolidation total	941.8	1,081.4	139.6	14.8%	9.3%	

3. Profit Details

(1) EBITDA

(Billions of yen)

	Nine months ended September 30, 2021	Nine months ended September 30, 2022	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	64.1	55.1	(9.0)	(14.1)%	–	
Asia Pacific	42.1	46.9	4.9	11.5%	3.7%	
Europe	41.3	47.0	5.7	13.9%	8.1%	
Americas	12.3	16.0	3.7	30.2%	10.2%	
Reconciliations	(5.8)	(6.5)	(0.7)	–	–	*
Consolidation total	153.9	158.5	4.6	3.0%	(1.9)%	

* “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)

	Nine months ended September 30, 2021	Nine months ended September 30, 2022	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	36.1	28.6	(7.5)	(20.8)%	–	
Asia Pacific	30.8	46.0	15.2	49.3%	35.2%	
Europe	32.2	36.4	4.2	13.1%	7.3%	
Americas	9.3	12.6	3.3	34.8%	14.1%	
Reconciliations	(8.2)	(8.7)	(0.5)	–	–	*
Consolidation total	100.3	115.0	14.6	14.6%	7.5%	

* “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 nine months ended September 30, 2021	36.1
Increase in revenue	21.6
Increase in cost of goods sold	(26.4)
Increase in sales promotion and advertising costs	(2.0)
Increase in other expenses	(0.8)
Segment profit for the nine months ended September 30, 2022	28.6

4. Summary of Consolidated Statement of Financial Position

(Billions of yen with fractional amounts rounded off)

	As at December 31, 2021	As at September 30, 2022	Increase (decrease)	Reference
Cash and cash equivalents	176.7	207.1	30.5	
Trade and other receivables	240.6	299.6	59.1	*1
Other financial assets	1.3	4.8	3.5	
Inventories	87.8	108.0	20.2	
Other current assets	24.0	25.9	2.0	
Current assets	530.3	645.5	115.2	
Property, plant and equipment	372.3	381.4	9.1	
Right-of-use assets	52.3	50.6	(1.7)	
Goodwill	255.6	265.6	10.0	*2
Intangible assets	430.1	461.8	31.7	*2
Investments accounted for using the equity method	1.0	1.3	0.3	
Other financial assets	13.8	14.7	0.9	
Deferred tax assets	14.2	7.7	(6.5)	
Other non-current assets	7.4	6.9	(0.5)	
Non-current assets	1,146.7	1,189.9	43.3	
Total assets	1,676.9	1,835.4	158.5	
Bonds and borrowings	55.8	57.4	1.6	
Trade and other payables	354.6	424.0	69.4	*1
Other financial liabilities	30.9	32.5	1.6	
Accrued income taxes	14.8	22.2	7.4	
Provisions	2.0	2.3	0.3	
Other current liabilities	5.5	9.4	3.9	
Current liabilities	463.6	547.9	84.3	
Bonds and borrowings	109.6	64.8	(44.8)	*3
Other financial liabilities	54.2	47.1	(7.2)	
Post-employment benefit liabilities	14.7	15.3	0.6	
Provisions	4.3	4.9	0.6	
Deferred tax liabilities	81.4	86.4	5.0	
Other non-current liabilities	5.2	5.0	(0.2)	
Non-current liabilities	269.4	223.4	(46.0)	
Total liabilities	733.0	771.3	38.3	
Total equity attributable to owners of the Company	860.6	964.8	104.2	
Non-controlling interests	83.4	99.3	16.0	
Total equity	944.0	1,064.1	120.2	
Total liabilities and equity	1,676.9	1,835.4	158.5	

*1 The increase is mainly due to the impact of seasonal fluctuations on December 31 and September 30.

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

*3 The decrease is mainly due to the impact of the transfer from non-current liabilities (bonds) to current liabilities (redemption of bonds within one year).

5. Summary of Consolidated Statement of Cash Flows

(Billions of yen with fractional amounts rounded off)

	Nine months ended September 30, 2021	Nine months ended September 30, 2022	Increase (decrease)
Profit before tax for the period	99.4	114.8	15.4
Depreciation and amortization	52.4	53.9	1.5
Loss (gain) on sales of shares of subsidiaries	–	(16.0)	(16.0)
Other	(15.2)	(21.4)	(6.2)
Cash flows from operating activities	136.6	131.3	(5.3)
Payments for capital expenditures	(37.3)	(40.9)	(3.6)
Payments for transfer of business	(2.2)	–	2.2
Proceeds from sale of subsidiaries	–	17.8	17.8
Other	1.0	(0.7)	(1.8)
Cash flows from investing activities	(38.5)	(23.7)	14.7
Increase (decrease) in interest-bearing debt	(65.6)	(48.6)	16.9
Dividends paid to owners of the Company	(24.1)	(24.1)	0.0
Dividends paid to non-controlling interests	(11.2)	(13.0)	(1.7)
Cash flows from financing activities	(100.9)	(85.7)	15.2
Net increase (decrease) in cash and cash equivalents	(2.7)	21.9	24.6
Effects of exchange rate changes	1.7	8.6	6.9

6. Other Information

<Sales Volume of Major Brands in Japan Business> * Sales volume on a delivered basis

(Million cases)

	Nine months ended September 30, 2021		Nine months ended September 30, 2022	
	Actual	Increase (decrease)	Actual	Increase (decrease)
<i>Suntory Tennensui</i>	91.0	3%	102.2	12%
<i>Boss</i>	77.2	2%	77.1	(0)%
<i>Iyemon</i>	44.5	6%	47.7	7%
<i>Green DAKARA</i>	34.1	(3)%	40.5	19%
<i>Suntory Oolong Tea</i>	11.0	(13)%	11.3	3%
<i>Pepsi</i>	12.0	26%	13.3	11%
FOSHU drinks and functional beverages	15.2	(10)%	23.6	55%
Total	316.4	1%	344.5	9%

* Starting in the year ending December 31, 2022, sales volume was changed to an actual box basis and a delivered 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.

<Sales Volume of Major Brands in Europe Business>

(Million liters)

	Nine months ended September 30, 2021		Nine months ended September 30, 2022	
	Actual	Increase (decrease)	Actual	Increase (decrease)
<i>Oasis (France)</i>	218	6%	254	16%
<i>Schweppes (France)</i>	135	7%	158	16%
<i>Orangina (France)</i>	132	7%	150	13%
<i>Lucozade (UK, Ireland)</i>	300	3%	321	7%
<i>Ribena (UK, Ireland)</i>	69	19%	68	(2)%
<i>Schweppes (Spain, Portugal)</i>	90	11%	106	18%

<Earnings Forecast for the Year Ending December 31, 2022>

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)

	Year ended December 31, 2021, Actual		Year ending December 31, 2022, Forecast		Changes from previous forecast (February 14)	Increase (decrease)	
		Ratio to revenue		Ratio to revenue			
Revenue	1,268.9	100.0%	1,453.0	100.0%	84.0	184.1	14.5%
Gross profit	523.2	41.2%	559.5	38.5%	8.0	36.3	6.9%
Selling, general and administrative expenses	397.7	31.3%	427.8	29.4%	6.8	30.1	7.6%
Gain on investments accounted for using the equity method	0.1	0.0%	0.3	0.0%	0.3	0.2	–
Other income	2.9	0.2%	19.0	1.3%	17.5	16.1	558.1%
Other expenses	9.9	0.8%	10.5	0.7%	4.0	0.6	6.4%
Operating income	118.6	9.3%	140.5	9.7%	15.0	21.9	18.5%
Finance income	0.5	0.0%	1.0	0.1%	0.5	0.5	96.7%
Finance costs	2.0	0.2%	2.0	0.1%	–	(0.0)	(1.2)%
Profit before tax	117.1	9.2%	139.5	9.6%	15.5	22.4	19.2%
Income tax expense	34.0	2.7%	41.5	2.9%	6.0	7.5	22.0%
Profit for the year	83.0	6.5%	98.0	6.7%	9.5	15.0	18.0%
Profit for the year attributable to non-controlling interests	14.4	1.1%	18.5	1.3%	3.5	4.1	28.9%
Profit for the year attributable to owners of the Company	68.7	5.4%	79.5	5.5%	6.0	10.8	15.8%

(2) Other Indices

(Billions of yen)

	Year ended December 31, 2021, Actual		Year ending December 31, 2022, Forecast		Changes from previous forecast (February 14)	Increase (decrease)	
Depreciation	69.4		70.5		–	1.1	1.6%
Operating income	118.6		140.5		15.0	21.9	18.5%
Profit for the year attributable to owners of the Company	68.7		79.5		6.0	10.8	15.8%
EBITDA *1	194.9	15.4%	202.5	13.9%	1.5	7.6	3.9%

*1 EBITDA is calculated as operating income - other income + other expenses + depreciation.

EPS (Yen)	222.25	257.28	–	35.03	15.8%
Operating margin	9.3%	9.7%			
ROE	8.4%	8.5%			
Dividend payout ratio *2	35.1%	30.3%			

*2 Dividend payout ratio for each year is calculated by dividing, for each year, total cash dividends by profit for the year attributable to owners of the Company.

	As at December 31, 2021 Actual		As at December 31, 2022 Forecast		Changes from previous forecast (February 14)	Increase (decrease)	
Total assets	1,676.9		1,822.0		145.0	145.1	8.7%
Total equity	944.0		1,076.0		83.0	132.0	14.0%
Capital expenditures	77.1		68.5		(3.0)	(8.6)	(11.2)%
D/E ratio (Times) *3	0.04		(0.03)		(0.03)		

*3 D/E ratio is calculated as (interest-bearing debt - cash and deposits ± 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)

	Year ended December 31, 2021, Actual		Year ending December 31, 2022, Revised forecast		Previous forecast (February 14)
USD	109.9		133.0		115.0
EUR	129.9		138.0		130.0
GBP	151.2		161.0		154.0
SGD	81.8		95.0		84.0
THB	3.4		3.7		3.4
VND	0.0048		0.0057		0.0050
NZD	77.7		83.0		78.0
AUD	82.5		92.0		82.0

2. Revenue Details

(Billions of yen with fractional amounts rounded off)

	Year ended December 31, 2021, Actual	Year ending December 31, 2022, Forecast	Changes from previous forecast (February 14)	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	629.6	656.0	(9.0)	26.4	4.2%	–	
Asia Pacific	295.9	365.0	29.0	69.1	23.3%	9.8%	
Europe	234.9	289.5	40.5	54.6	23.3%	16.4%	
Americas	108.5	142.5	23.5	34.0	31.4%	8.9%	
Reconciliations	–	–	–	–	–	–	
Consolidation total	1,268.9	1,453.0	84.0	184.1	14.5%	8.3%	

3. Profit Details

(1) EBITDA

(Billions of yen)

	Year ended December 31, 2021, Actual	Year ending December 31, 2022, Forecast	Changes from previous forecast (February 14)	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	77.6	67.5	(11.0)	(10.1)	(13.0)%	–	
Asia Pacific	56.0	63.5	2.5	7.5	13.4%	5.2%	
Europe	51.7	58.5	5.5	6.8	13.1%	6.6%	
Americas	17.7	22.5	4.0	4.8	27.3%	5.5%	
Reconciliations	(8.1)	(9.5)	0.5	(1.4)	–	–	*
Consolidation total	194.9	202.5	1.5	7.6	3.9%	(1.7)%	

* “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)

	Year ended December 31, 2021, Actual	Year ending December 31, 2022, Forecast	Changes from previous forecast (February 14)	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	40.9	33.0	(9.0)	(7.9)	(19.4)%	–	
Asia Pacific	39.7	58.5	14.5	18.8	47.2%	33.2%	
Europe	35.7	44.0	5.5	8.3	23.2%	16.2%	
Americas	13.3	17.7	3.7	4.4	32.8%	10.1%	
Reconciliations	(11.2)	(12.7)	0.3	(1.5)	–	–	*
Consolidation total	118.6	140.5	15.0	21.9	18.5%	10.2%	

* “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)

		Changes from previous forecast (February 14)
Segment profit for the year ended December 31, 2021, Actual	40.9	–
Increase in revenue	26.4	(9.0)
Increase in cost of goods sold	(31.1)	(7.6)
Increase in sales promotion and advertising costs	(2.7)	4.7
Increase in other expenses	(0.5)	3.1
Segment profit for the year ending December 31, 2022, Forecast	33.0	(9.0)

4. Other Information

<Sales Volume of Major Brands in Japan Business> * Sales volume on a delivered basis

(Million cases)

	Year ended December 31, 2021		Year ending December 31, 2022		Changes from previous forecast (February 14)
	Actual	Increase (decrease)	Forecast	Increase (decrease)	
<i>Suntory Tennensui</i>	120.2	6%	130.0	8%	4.0
<i>Boss</i>	105.7	3%	105.2	0%	(0.8)
<i>Iyemon</i>	59.1	6%	63.5	7%	1.0
<i>Green DAKARA</i>	41.9	(1)%	48.0	15%	1.5
<i>Suntory Oolong Tea</i>	14.6	(10)%	14.6	0%	0.6
<i>Pepsi</i>	16.3	30%	17.0	4%	0.0
FOSHU drinks and functional beverages	20.2	(9)%	34.0	69%	13.5
Total	419.4	3%	443.0	6%	6.5

* Starting in the year ending December 31, 2022, sales volume was changed to an actual box basis and a delivered 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.