

Supplementary Material on Consolidated Financial Results
for the Fiscal Year Ended December 31, 2022

<Results for the Year Ended December 31, 2022>

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Suntory Beverage & Food Limited

February 13, 2023

<Results for the Year Ended 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		Year ended December 31, 2022		Increase (decrease)	
		Ratio to revenue		Ratio to revenue		
Revenue	1,268.9	100.0%	1,450.4	100.0%	181.5	14.3%
Gross profit	523.2	41.2%	552.5	38.1%	29.3	5.6%
Selling, general and administrative expenses	397.7	31.3%	420.2	29.0%	22.5	5.7%
Gain on investments accounted for using the equity method	0.1	0.0%	0.4	0.0%	0.3	480.5%
Other income	2.9	0.2%	19.4	1.3%	16.5	571.1%
Other expenses	9.9	0.8%	12.4	0.9%	2.5	25.5%
Operating income	118.6	9.3%	139.7	9.6%	21.1	17.8%
Finance income	0.5	0.0%	1.6	0.1%	1.1	220.5%
Finance costs	2.0	0.2%	2.0	0.1%	0.0	0.1%
Profit before tax	117.1	9.2%	139.3	9.6%	22.2	19.0%
Income tax expense	34.0	2.7%	38.2	2.6%	4.2	12.3%
Profit for the period	83.0	6.5%	101.1	7.0%	18.1	21.8%
Profit for the year attributable to non-controlling interests	14.4	1.1%	18.8	1.3%	4.4	30.9%
Profit for the year attributable to owners of the Company	68.7	5.4%	82.3	5.7%	13.6	19.9%

(2) Other Indices

(Billions of yen)

		Year ended December 31, 2021		Year ended December 31, 2022		Increase (decrease)	
Depreciation		69.4		70.8		1.4	2.0%
Operating income		118.6		139.7		21.1	17.8%
Profit for the year attributable to owners of the Company		68.7		82.3		13.6	19.9%
EBITDA *1	EBITDA margin	194.9	15.4%	202.6	14.0%	7.7	3.9%

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

EPS (Yen)	222.25	266.40	44.15	19.9%
Operating margin	9.3%	9.6%		
ROE	8.4%	9.0%		
Dividend payout ratio *2	35.1%	30.0%		

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

	As at December 31, 2021	As at December 31, 2022	Increase (decrease)	
Total assets	1,676.9	1,783.3	106.4	6.3%
Total equity	944.0	1,060.1	116.2	12.3%
Capital expenditures	77.1	65.4	(11.7)	(15.2)%
D/E ratio (Times) *3	0.04	(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	Year ended December 31, 2022
USD	109.9	131.7
EUR	129.9	138.2
GBP	151.2	162.0
SGD	81.8	95.4
THB	3.4	3.8
VND	0.0048	0.0056
NZD	77.7	83.3
AUD	82.5	91.2

2. Revenue Details

(Billions of yen with fractional amounts rounded off)

	Year ended December 31, 2021	Year ended December 31, 2022	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	629.6	653.2	23.6	3.7%	–	
Asia Pacific	295.9	359.4	63.5	21.4%	8.3%	
Europe	234.9	292.3	57.4	24.5%	17.0%	
Americas	108.5	145.5	37.0	34.1%	12.0%	
Reconciliations	–	–	–	–	–	
Consolidation total	1,268.9	1,450.4	181.5	14.3%	8.1%	

3. Profit Details

(1) EBITDA

(Billions of yen)

	Year ended December 31, 2021	Year ended December 31, 2022	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	77.6	68.3	(9.3)	(12.0)%	–	
Asia Pacific	56.0	62.8	6.9	12.2%	4.3%	
Europe	51.7	56.5	4.8	9.3%	2.5%	
Americas	17.7	23.8	6.1	34.4%	12.2%	
Reconciliations	(8.1)	(8.8)	(0.7)	–	–	*
Consolidation total	194.9	202.6	7.7	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	Year ended December 31, 2022	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	40.9	33.4	(7.5)	(18.4)%	–	
Asia Pacific	39.7	56.4	16.7	42.0%	28.6%	
Europe	35.7	43.4	7.7	21.5%	14.1%	
Americas	13.3	18.2	4.9	36.6%	14.0%	
Reconciliations	(11.2)	(11.8)	(0.6)	–	–	*
Consolidation total	118.6	139.7	21.1	17.8%	9.5%	

* “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 year ended December 31, 2021, Actual	40.9
Increase in revenue	23.6
Increase in cost of goods sold	(30.7)
Increase in sales promotion and advertising costs	(0.4)
Increase in other expenses	0.1
Segment profit for the year ended December 31, 2022, Actual	33.4

4. Summary of Consolidated Statement of Financial Position

(Billions of yen with fractional amounts rounded off)

	As at December 31, 2021	As at December 31, 2022	Increase (decrease)	Reference
Cash and cash equivalents	176.7	200.6	24.0	
Trade and other receivables	240.6	271.0	30.4	*1
Other financial assets	1.3	3.1	1.9	
Inventories	87.8	106.1	18.3	
Other current assets	24.0	25.6	1.6	
Current assets	530.3	606.4	76.1	
Property, plant and equipment	372.3	381.5	9.2	
Right-of-use assets	52.3	48.8	(3.4)	
Goodwill	255.6	264.6	9.0	
Intangible assets	430.1	452.4	22.4	*1
Investments accounted for using the equity method	1.0	1.3	0.3	
Other financial assets	13.8	14.8	0.9	
Deferred tax assets	14.2	6.4	(7.8)	
Other non-current assets	7.4	7.1	(0.2)	
Non-current assets	1,146.7	1,177.0	30.3	
Total assets	1,676.9	1,783.3	106.4	
Bonds and borrowings	55.8	58.0	2.2	
Trade and other payables	354.6	384.4	29.8	*1
Other financial liabilities	30.9	34.0	3.1	
Accrued income taxes	14.8	18.1	3.3	
Provisions	2.0	1.4	(0.6)	
Other current liabilities	5.5	8.3	2.7	
Current liabilities	463.6	504.2	40.6	
Bonds and borrowings	109.6	64.8	(44.8)	*2
Other financial liabilities	54.2	45.0	(9.3)	
Post-employment benefit liabilities	14.7	13.7	(1.0)	
Provisions	4.3	5.7	1.4	
Deferred tax liabilities	81.4	84.9	3.5	
Other non-current liabilities	5.2	5.0	(0.2)	
Non-current liabilities	269.4	219.1	(50.3)	
Total liabilities	733.0	723.2	(9.7)	
Total equity attributable to owners of the Company	860.6	965.2	104.6	
Non-controlling interests	83.4	94.9	11.5	
Total equity	944.0	1,060.1	116.2	
Total liabilities and equity	1,676.9	1,783.3	106.4	

*1 The increase is mainly due to the impact of foreign currency translation of overseas subsidiaries.

*2 The decrease is mainly due to the transfer from non-current liabilities (long-term borrowings, bonds) to current liabilities (current portion of long-term borrowings, redemption of bonds within one year).

5. Summary of Consolidated Statement of Cash Flows

(Billions of yen with fractional amounts rounded off)

	Year ended December 31, 2021	Year ended December 31, 2022	Increase (decrease)
Profit before tax	117.1	139.3	22.2
Depreciation and amortization	69.4	70.8	1.4
Loss (gain) on sales of shares of subsidiaries	–	(16.0)	(16.0)
Other	(28.2)	(43.6)	(15.3)
Cash flows from operating activities	158.2	150.5	(7.7)
Payments for capital expenditures	(56.1)	(60.2)	(4.1)
Payments for transfer of business	(2.2)	–	2.2
Proceeds from sale of subsidiaries	–	18.4	18.4
Other	1.5	(0.6)	(2.0)
Cash flows from investing activities	(56.9)	(42.4)	14.5
Increase (decrease) in interest-bearing debt	(57.8)	(51.1)	6.7
Dividends paid to owners of the Company	(24.1)	(24.1)	0.0
Dividends paid to non-controlling interests	(14.2)	(17.0)	(2.8)
Cash flows from financing activities	(96.1)	(92.2)	3.9
Net increase (decrease) in cash and cash equivalents	5.2	15.9	10.7
Effects of exchange rate changes	4.0	8.1	4.1

6. Other Information

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

(Million cases)

	Year ended December 31, 2021		Year ended December 31, 2022	
	Actual	Increase (decrease)	Actual	Increase (decrease)
<i>Suntory Tennensui</i>	120.3	6%	129.8	8%
<i>Boss</i>	105.7	3%	104.3	(1)%
<i>Iyemon</i>	59.3	6%	61.7	4%
<i>Green DAKARA</i>	41.9	(1)%	48.4	15%
<i>Suntory Oolong Tea</i>	14.6	(10)%	14.8	1%
<i>Pepsi</i>	16.3	30%	17.4	7%
FOSHU drinks and functional beverages	20.2	(9)%	32.6	62%
Total	419.5	3%	444.7	6%

* Starting in the year ended 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)

	Year ended December 31, 2021		Year ended December 31, 2022	
	Actual	Increase (decrease)	Actual	Increase (decrease)
<i>Oasis (France)</i>	284	10%	326	15%
<i>Schweppes (France)</i>	173	9%	198	14%
<i>Orangina (France)</i>	169	9%	187	11%
<i>Lucozade (UK, Ireland)</i>	396	4%	421	6%
<i>Ribena (UK, Ireland)</i>	91	15%	87	(4)%
<i>Schweppes (Spain, Portugal)</i>	124	19%	136	10%

<Earnings Forecast for the Year Ending December 31, 2023>

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, 2022, Actual		Year ending December 31, 2023, Forecast		Increase (decrease)	
		Ratio to revenue		Ratio to revenue		
Revenue	1,450.4	100.0%	1,531.5	100.0%	81.1	5.6%
Gross profit	552.5	38.1%	565.0	36.9%	12.5	2.3%
Selling, general and administrative expenses	420.2	29.0%	429.5	28.0%	9.3	2.2%
Gain on investments accounted for using the equity method	0.4	0.0%	0.5	0.0%	0.1	21.6%
Other income	19.4	1.3%	3.0	0.2%	(16.4)	(84.5)%
Other expenses	12.4	0.9%	4.5	0.3%	(7.9)	(63.6)%
Operating income	139.7	9.6%	134.5	8.8%	(5.2)	(3.7)%
Finance income	1.6	0.1%	1.5	0.1%	(0.1)	(7.9)%
Finance costs	2.0	0.1%	2.5	0.2%	0.5	23.4%
Profit before tax	139.3	9.6%	133.5	8.7%	(5.8)	(4.2)%
Income tax expense	38.2	2.6%	38.0	2.5%	(0.2)	(0.5)%
Profit for the year	101.1	7.0%	95.5	6.2%	(5.6)	(5.5)%
Profit for the year attributable to non-controlling interests	18.8	1.3%	20.0	1.3%	1.2	6.5%
Profit for the year attributable to owners of the Company	82.3	5.7%	75.5	4.9%	(6.8)	(8.3)%

(2) Other Indices

(Billions of yen)

		Year ended December 31, 2022, Actual		Year ending December 31, 2023, Forecast		Increase (decrease)	
Depreciation		70.8		72.0		1.2	1.7%
Operating income		139.7		134.5		(5.2)	(3.7)%
Profit for the year attributable to owners of the Company		82.3		75.5		(6.8)	(8.3)%
EBITDA *1	EBITDA margin	202.6	14.0%	208.0	13.6%	5.4	2.7%

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

EPS (Yen)	266.40	244.34	(22.06)	(8.3)%
Operating margin	9.6%	8.8%		
ROE	9.0%	7.5%		
Dividend payout ratio *2	30.0%	32.7%		

*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, 2022 Actual	As at December 31, 2023 Forecast	Increase (decrease)	
Total assets	1,783.3	1,792.5	9.2	0.5%
Total equity	1,060.1	1,112.0	51.9	4.9%
Capital expenditures	65.4	105.0	39.6	60.6%
D/E ratio (Times) *3	(0.03)	(0.04)		

*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, 2022, Actual	Year ending December 31, 2023, Revised forecast
USD	131.7	130.0
EUR	138.2	141.0
GBP	162.0	160.0
SGD	95.4	98.0
THB	3.8	3.9
VND	0.0056	0.0056
NZD	83.3	84.0
AUD	91.2	91.0

2. Revenue Details

(Billions of yen with fractional amounts rounded off)

	Year ended December 31, 2022, Actual	Year ending December 31, 2023, Forecast	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	653.2	688.5	35.3	5.4%	–	
Asia Pacific	353.2	382.5	29.3	8.3%	7.3%	*
Europe	298.5	313.5	15.0	5.0%	4.4%	*
Americas	145.5	147.0	1.5	1.0%	2.2%	
Reconciliations	–	–	–	–	–	
Consolidation total	1,450.4	1,531.5	81.1	5.6%	5.3%	

* Due to the organizational changes, the Africa business, which was previously reported in the “Asia Pacific business,” has been reclassified to the “Europe business” from the “Asia Pacific business,” starting from the year ending December 31, 2023. In addition, the information for the year ended December 31, 2022 is presented based on the reportable segments after the reclassification.

3. Profit Details

(1) EBITDA

(Billions of yen)

	Year ended December 31, 2022, Actual	Year ending December 31, 2023, Forecast	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	68.3	67.8	(0.5)	(0.7)%	–	
Asia Pacific	61.6	68.5	6.9	11.2%	10.4%	*1
Europe	57.8	58.2	0.4	0.8%	0.3%	*1
Americas	23.8	23.8	0.0	0.2%	1.3%	
Reconciliations	(8.8)	(10.3)	(1.5)	–	–	*2
Consolidation total	202.6	208.0	5.4	2.7%	2.5%	

*1 Due to the organizational changes, the Africa business, which was previously reported in the “Asia Pacific business,” has been reclassified to the “Europe business” from the “Asia Pacific business,” starting from the year ending December 31, 2023. In addition, the information for the year ended December 31, 2022 is presented based on the reportable segments after the reclassification.

*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)

	Year ended December 31, 2022, Actual	Year ending December 31, 2023, Forecast	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	33.4	33.4	0.0	0.0%	–	
Asia Pacific	55.5	50.0	(5.5)	(9.9)%	(11.0)%	*1
Europe	44.4	46.0	1.6	3.7%	3.3%	*1
Americas	18.2	18.2	0.0	0.0%	1.2%	
Reconciliations	(11.8)	(13.1)	(1.3)	–	–	*2
Consolidation total	139.7	134.5	(5.2)	(3.7)%	(4.1)%	

*1 Due to the organizational changes, the Africa business, which was previously reported in the “Asia Pacific business,” has been reclassified to the “Europe business” from the “Asia Pacific business,” starting from the year ending December 31, 2023. In addition, the information for the year ended December 31, 2022 is presented based on the reportable segments after the reclassification.

*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 year ended December 31, 2022, Actual	33.4
Increase in revenue	35.3
Increase in cost of goods sold	(28.5)
Increase in sales promotion and advertising costs	(3.7)
Increase in other expenses	(3.1)
Segment profit for the year ending December 31, 2023, Forecast	33.4

4. Other Information

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

(Million cases)

	Year ended December 31, 2022		Year ending December 31, 2023	
	Actual	Increase (decrease)	Forecast	Increase (decrease)
<i>Suntory Tennensui</i>	129.8	8%	132.0	2%
<i>Boss</i>	104.3	(1)%	102.0	(2)%
<i>Iyemon</i>	61.7	4%	63.0	2%
<i>Green DAKARA</i>	48.4	15%	48.0	(1)%
<i>Suntory Oolong Tea</i>	14.8	1%	15.0	1%
<i>Pepsi</i>	17.4	7%	17.0	(2)%
FOSHU drinks and functional beverages	32.6	62%	47.0	45%
Total	444.7	6%	445.0	0%

* 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.