

**Summary of Consolidated Financial Results**  
**for the First Three Months of the Year Ending December 31, 2023**  
**<IFRS> (UNAUDITED)**

Company name: **Suntory Beverage & Food Limited**  
 Shares listed: Tokyo Stock Exchange  
 Securities code: 2587  
 URL: <https://www.suntory.co.jp/sbf/>  
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Scheduled date to file quarterly securities report: May 12, 2023  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results presentation meeting (for institutional investors and analysts): Yes

(Millions of yen with fractional amounts discarded, unless otherwise noted)

**1. Consolidated financial results for the first three months of the year ending December 31, 2023**  
**(from January 1, 2023 to March 31, 2023)**

**(1) Consolidated operating results**

(Percentages indicate year-on-year changes)

|                    | Revenue           |      | Operating income  |      | Profit before tax for the period |      | Profit for the period |      |
|--------------------|-------------------|------|-------------------|------|----------------------------------|------|-----------------------|------|
|                    | (Millions of yen) | (%)  | (Millions of yen) | (%)  | (Millions of yen)                | (%)  | (Millions of yen)     | (%)  |
| Three months ended |                   |      |                   |      |                                  |      |                       |      |
| March 31, 2023     | 337,217           | 13.9 | 26,371            | 22.0 | 26,514                           | 23.4 | 19,411                | 20.5 |
| March 31, 2022     | 296,010           | 9.7  | 21,624            | 9.2  | 21,490                           | 10.0 | 16,112                | 10.8 |

  

|                    | Profit for the period attributable to owners of the Company |      | Comprehensive income for the period |        | Basic earnings per share | Diluted earnings per share |
|--------------------|---|------|-------------------------------------|--------|--------------------------|----------------------------|
|                    | (Millions of yen)   | (%)  | (Millions of yen)                   | (%)    |                          |                            |
| Three months ended |   |      |                                     |        | (Yen)                    | (Yen)                      |
| March 31, 2023     | 14,586  | 18.1 | 36,931                              | (28.4) | 47.21                    | –                          |
| March 31, 2022     | 12,351  | 15.8 | 51,596                              | 16.2   | 39.97                    | –                          |

**(2) Consolidated financial position**

|                   | Total assets      | Total equity      | Equity attributable to owners of the Company | Ratio of equity attributable to owners of the Company to total assets |
|-------------------|-------------------|-------------------|--|---|
|                   | (Millions of yen) | (Millions of yen) | (Millions of yen)                            | (%)   |
| As at             |                   |                   |  |   |
| March 31, 2023    | 1,796,136         | 1,084,382         | 983,144                                      | 54.7  |
| December 31, 2022 | 1,783,349         | 1,060,104         | 965,220                                      | 54.1  |

### (3) Consolidated cash flows

|                    | Net cash inflow (outflow)<br>from operating activities | Net cash inflow (outflow)<br>from investing activities | Net cash inflow (outflow)<br>from financing activities | Cash and cash equivalents<br>at the end of the period |
|--------------------|--|--|--|---|
| Three months ended | (Millions of yen)                                      | (Millions of yen)                                      | (Millions of yen)                                      | (Millions of yen)                                     |
| March 31, 2023     | 12,595   | (14,198)   | (17,574)   | 182,145   |
| March 31, 2022     | 30,651   | (11,993)   | (34,190)   | 160,853   |

### 2. Dividends

|   | Annual cash dividends |                    |                   |                 |       |
|---|-----------------------|--------------------|-------------------|-----------------|-------|
|   | First quarter-end     | Second quarter-end | Third quarter-end | Fiscal year-end | Total |
|   | (Yen)                 | (Yen)              | (Yen)             | (Yen)           | (Yen) |
| Fiscal year ended<br>December 31, 2022                | –                     | 39.00              | –                 | 41.00           | 80.00 |
| Fiscal year ending<br>December 31, 2023               | –                     |                    |                   |                 |       |
| Fiscal year ending<br>December 31, 2023<br>(Forecast) |                       | 40.00              | –                 | 40.00           | 80.00 |

Note: Revisions to the forecast of dividends most recently announced: None

### 3. Consolidated earnings forecast for the fiscal year ending December 31, 2023 (from January 1, 2023 to December 31, 2023)

|   | (Percentages indicate year-on-year changes) |     |                      |       |                      |       |                      |       |  |       |                             |
|---|---|-----|----------------------|-------|----------------------|-------|----------------------|-------|--|-------|-----------------------------|
|   | Revenue                                     |     | Operating income     |       | Profit before tax    |       | Profit for the year  |       | Profit for the year<br>attributable to<br>owners of<br>the Company |       | Basic earnings<br>per share |
|   | (Millions of<br>yen)                        | (%) | (Millions of<br>yen) | (%)   | (Millions of<br>yen) | (%)   | (Millions of<br>yen) | (%)   | (Millions of<br>yen)   | (%)   | (Yen)                       |
| Fiscal year ending<br>December 31, 2023 | 1,531,500                                   | 5.6 | 134,500              | (3.7) | 133,500              | (4.2) | 95,500               | (5.5) | 75,500   | (8.3) | 244.34                      |

Note: Revisions to the earnings forecast most recently announced: None

**\* Notes**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Changes in accounting policies and changes in accounting estimates
- |   |      |
|---|------|
| a. Changes in accounting policies required by IFRS:     | None |
| b. Changes in accounting policies due to other reasons: | None |
| c. Changes in accounting estimates:                     | None |
- (3) Number of issued shares (ordinary shares)
- |   |                    |
|---|--------------------|
| a. Total number of issued shares at the end of the period (including treasury shares)                 |                    |
| As at March 31, 2023  | 309,000,000 shares |
| As at December 31, 2022   | 309,000,000 shares |
| b. Number of treasury shares at the end of the period   |                    |
| As at March 31, 2023  | 121 shares         |
| As at December 31, 2022   | 121 shares         |
| c. Average number of outstanding shares during the period (cumulative from the beginning of the year) |                    |
| Three months ended March 31, 2023   | 308,999,879 shares |
| Three months ended March 31, 2022   | 308,999,969 shares |

**\* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.**

**\* Proper use of earnings forecast, and other special matters**

The earnings forecast contained in these materials are based on our judgment attributable to information available to the Company and the Group as of the date of announcement of these materials, and include certain risks and uncertainties. These statements are not intended as a promise by the Company to achieve such results. Actual business results may differ substantially due to various factors such as economic situation surrounding the Company and the Group, market trend, exchange rates and other factors.

## Attached Materials

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## 1. Qualitative Information Regarding Settlement of Accounts for the First Three Months

### (1) Operating results

Suntory Beverage & Food Limited Group (the Group), based on the philosophy of always starting from consumers, pursuing to create new taste, well-being and joy, and aiming to be the most locally beloved company by proposing premium and unique products that match the tastes and needs of consumers, worked to put effort into brand reinforcement and new demand creation, and worked to improve the quality of products. In addition, the Group worked to strengthen profitability by accelerating business transformation in each area.

In the first quarter of the year ending December 31, 2023, amid recovery of foot traffic in Japan and rising demand in major overseas markets, the Group continued to concentrate its activities on core brands in all segments. As a result, sales volume continued to expand in the major countries. Price revisions of PET products starting from October 2022 in Japan and revenue growth management (RGM) measures that included flexible price revisions overseas contributed to revenue increases in all segments.

Despite the impact of higher costs due to high raw material prices and exchange rate fluctuations, the Group achieved an increase in overall operating income due to the rise in revenue and thorough cost management absorbing this impact.

For the operating results of the first three months of the year ending December 31, 2023, the Group reported consolidated revenue of ¥337.2 billion, up 13.9% year on year and up 8.4% on a currency neutral basis. Consolidated operating income was ¥26.4 billion, up 22.0% year on year and up 12.0% on a currency neutral basis. Furthermore, profit for the period attributable to owners of the Company was ¥14.6 billion, up 18.1% year on year and up 9.3% on a currency neutral basis.

Results by segment are described below.

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 first three months of the year ending December 31, 2023. Accordingly, in the following year-on-year comparisons, figures for the same period of the previous year have been compared based on the segment classification after the change.

#### < Japan business >

The results in the overall beverage market in the first three months of the year ending December 31, 2023, held to the same level year on year (based on the Company’s own estimation) due to the impact of recovery of foot traffic and favorable weather, amid the impact of the price revisions from October 2022. Due to the Company’s initiatives to strengthen its core brands with a focus on the water, coffee, and sugar-free tea categories, and contributions from sales of new products and marketing activities, the Company increased its sales volume year on year and continued to increase market share.

By brand, for *Suntory Tennensui*, the overall sales volume of the brand increased year on year. As for mineral water, large PET bottle products were subject to the impact of price revisions, but small PET bottle products maintained favorable performance. *Suntory Tennensui Kiritto Fruit Pink Grapefruit & Muscat*, released in March, also contributed to higher sales volume. For the *BOSS* brand, the overall sales volume of the brand increased year on year. Results of stay-on-tab (SOT) can products were strong and *BOSS Caffeine*, released in March, also contributed to higher sales volume. In the sugar-free tea category, the Group strengthened marketing activities for *Iyemon* with its renewal in March, but overall sales volume of the brand decreased year on year due to a significant effect of price revisions on large PET bottle products. *Green DA•KA•RA* has continued to perform well since its renewal last year and achieved record-high sales volume in the month of March partially due to contribution of the new *Yasashii Rooibos* product.

Revenue increased due to a substantial contribution made by the effect of price revisions from October 2022.

This increase in revenue and thorough cost management absorbed the impact of high raw material prices and exchange rate fluctuations, leading to an increase in segment profit.

The Japan business reported revenue of ¥145.8 billion, up 8.8% year on year, and segment profit of ¥3.6 billion, up 39.0% year on year.

< Asia Pacific business >

In the Asia Pacific region, the Group continued with its approach of concentrating its activities on core brands in the beverage and health supplement businesses. While recovery of the business environment of the health supplement business has been taking time, robust growth of the beverage business in Vietnam continued to serve as a significant driver for the business and the beverage business in Oceania also performed well.

The increase in sales volume, along with flexible price revisions in the major markets, contributed to an increase in revenue.

Segment profit decreased on a currency neutral basis due to the significant impact of a downturn in revenue of the health supplement business.

By major business, in Vietnam, sales volume of major brands, including the mainstay energy drink *Sting* and tea beverage *TEA+*, increased substantially. In Thailand, sales of *PEPSI* and *TEA+*, including low-sugar products, were strong and their sales volume increased. Regarding the health supplement business, despite an ongoing decrease in demand due to the impact of inflation, the sales trend has been gradually recovering due to our thorough marketing activities for the mainstay product *BRAND'S Essence of Chicken*, renewal of the brand in October 2022 and others. In Oceania, sales volumes in New Zealand and Australia continued at levels higher than the previous fiscal year as a result of strengthening our marketing activities on the energy drink *V*, a core brand, and due to a contribution from *BOSS* having achieved double-digit growth year on year in sales volume.

The Asia Pacific business reported revenue of ¥89.9 billion, up 11.9% year on year and up 1.7% on a currency neutral basis. Segment profit was ¥11.8 billion, up 2.9% year on year and down 6.8% on a currency neutral basis.

< Europe business >

In Europe, France, the UK and Spain all recorded growth in sales volume as a result of the Group concentrating its activities on core brands amid continuation of strong demand in the major countries and the impact of favorable weather.

Revenue received a contribution from price revisions in the major countries and increased.

Despite effects of high raw material prices and rising energy prices, an increase in revenue and cost-cutting activities absorbed the impact, leading to an increase in segment profit.

Viewed by major country, France experienced a continuation of strong off-premise and on-premise demand. Sales volume of core brands *Oasis*, *Schweppes*, and *Orangina* continued to increase, resulting in expanded market share. In the UK, core brands *Lucozade* and *Ribena* recorded a strong performance. In Spain, expansion of on-premise demand persisted amid the impact of favorable weather, leading to double-digit growth year on year in sales volume for core brand *Schweppes*.

The Europe business reported revenue of ¥68.6 billion, up 23.0% year on year and up 16.0% on a currency neutral basis, and segment profit of ¥10.4 billion, up 43.5% year on year and up 36.7% on a currency neutral basis.

< Americas business >

In the Americas, amid continuation of strong demand, the enhancing of marketing activities in the core carbonated beverage category and the non-carbonated beverage category and sales channel expansion of *Gatorade* contributed to strong sales volume.

Revenue increased, receiving contributions from price revisions and other RGM measures.

This increase in revenue absorbed soaring raw material, distribution, and personnel costs, leading to an increase in segment profit.

The Americas business reported revenue of ¥32.9 billion, up 27.2% year on year and up 11.7% on a currency neutral basis, and segment profit of ¥3.7 billion, up 22.0% year on year and up 7.2% on a currency neutral basis.

**(2) Financial position**

Total assets as at March 31, 2023 stood at ¥1,796.1 billion, an increase of ¥12.8 billion compared to December 31, 2022. The main factors were increases in inventories and intangible assets.

Total liabilities stood at ¥711.8 billion, a decrease of ¥11.5 billion compared to December 31, 2022. This was due in part to decreases in trade and other payables, and accrued income taxes.

Total equity stood at ¥1,084.4 billion, an increase of ¥24.3 billion compared to December 31, 2022, due in part to an increase in other components of equity.

**(3) Analysis of cash flows**

Cash and cash equivalents as at March 31, 2023 amounted to ¥182.1 billion, a decrease of ¥18.5 billion compared to December 31, 2022.

Net cash inflow from operating activities was ¥12.6 billion, a decrease of ¥18.1 billion compared to the same period of the previous year. This was mainly the result of an increase in inventories of ¥15.3 billion and a decrease in trade and other payables of ¥10.2 billion, despite profit before tax for the period of ¥26.5 billion, depreciation and amortization of ¥17.9 billion, and a decrease in trade and other receivables of ¥7.6 billion.

Net cash outflow from investing activities was ¥14.2 billion, an increase of ¥2.2 billion compared to the same period of the previous year. This was mainly the result of payments for property, plant and equipment and intangible assets of ¥14.7 billion.

Net cash outflow from financing activities was ¥17.6 billion, a decrease of ¥16.6 billion compared to the same period of the previous year. This was mainly the result of dividends paid of ¥13.1 billion and payments of lease liabilities of ¥3.7 billion.

**(4) Consolidated earnings forecast and other forward-looking statements**

The consolidated earnings forecast for the fiscal year ending December 31, 2023, is unchanged from that announced on February 13, 2023. On the assumption that a high level of uncertainty persists, the Group will work steadily toward achieving its earnings forecast by focusing on what needs to be done, particularly in terms of continuing with initiatives such as concentrating its activities on core brands in all segments and implementing thorough cost management inclusive of SCM activities.

## 2. Condensed Quarterly Consolidated Financial Statements and Significant Notes Thereto (Unaudited)

### (1) Condensed quarterly consolidated statement of financial position

Millions of yen

|   | As at December 31,<br>2022 | As at March 31,<br>2023 |
|---|----------------------------|-------------------------|
| <b>Assets</b>                                     |                            |                         |
| Current assets:                                   |                            |                         |
| Cash and cash equivalents                         | 200,630                    | 182,145                 |
| Trade and other receivables                       | 270,969                    | 265,851                 |
| Other financial assets                            | 3,118                      | 3,048                   |
| Inventories                                       | 106,086                    | 122,671                 |
| Other current assets                              | 25,564                     | 27,237                  |
| Total current assets                              | 606,370                    | 600,954                 |
| Non-current assets:                               |                            |                         |
| Property, plant and equipment                     | 381,511                    | 384,432                 |
| Right-of-use assets                               | 48,841                     | 48,884                  |
| Goodwill  | 264,573                    | 267,906                 |
| Intangible assets                                 | 452,444                    | 463,158                 |
| Investments accounted for using the equity method | 1,305                      | 1,999                   |
| Other financial assets                            | 14,777                     | 14,678                  |
| Deferred tax assets                               | 6,398                      | 6,594                   |
| Other non-current assets                          | 7,125                      | 7,528                   |
| Total non-current assets                          | 1,176,978                  | 1,195,182               |
| Total assets                                      | 1,783,349                  | 1,796,136               |



Millions of yen

|  | As at December 31,<br>2022 | As at March 31,<br>2023 |
|--|----------------------------|-------------------------|
| Liabilities and equity                             |                            |                         |
| Liabilities  |                            |                         |
| Current liabilities:                               |                            |                         |
| Bonds and borrowings                               | 57,996                     | 56,999                  |
| Trade and other payables                           | 384,366                    | 376,362                 |
| Other financial liabilities                        | 34,026                     | 34,344                  |
| Accrued income taxes                               | 18,098                     | 13,623                  |
| Provisions   | 1,417                      | 906                     |
| Other current liabilities                          | 8,254                      | 8,904                   |
| Total current liabilities                          | 504,160                    | 491,140                 |
| Non-current liabilities:                           |                            |                         |
| Bonds and borrowings                               | 64,752                     | 64,927                  |
| Other financial liabilities                        | 44,987                     | 44,809                  |
| Post-employment benefit liabilities                | 13,732                     | 13,813                  |
| Provisions   | 5,722                      | 5,802                   |
| Deferred tax liabilities                           | 84,922                     | 86,806                  |
| Other non-current liabilities                      | 4,965                      | 4,454                   |
| Total non-current liabilities                      | 219,083                    | 220,613                 |
| Total liabilities                                  | 723,244                    | 711,753                 |
| Equity   |                            |                         |
| Share capital                                      | 168,384                    | 168,384                 |
| Share premium                                      | 182,229                    | 182,229                 |
| Retained earnings                                  | 594,773                    | 596,690                 |
| Treasury shares                                    | (0)                        | (0)                     |
| Other components of equity                         | 19,834                     | 35,840                  |
| Total equity attributable to owners of the Company | 965,220                    | 983,144                 |
| Non-controlling interests                          | 94,883                     | 101,238                 |
| Total equity                                       | 1,060,104                  | 1,084,382               |
| Total liabilities and equity                       | 1,783,349                  | 1,796,136               |

**(2) Condensed quarterly consolidated statement of profit or loss**

Millions of yen

|   | Three months ended<br>March 31, 2022 | Three months ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Revenue   | 296,010                              | 337,217                              |
| Cost of sales   | <u>(180,639)</u>                     | <u>(212,967)</u>                     |
| Gross profit  | 115,370                              | 124,249                              |
| Selling, general and administrative expenses              | (93,804)                             | (97,960)                             |
| Gain on investments accounted for using the equity method | 40                                   | 507                                  |
| Other income  | 671                                  | 660                                  |
| Other expenses  | <u>(654)</u>                         | <u>(1,086)</u>                       |
| Operating income  | 21,624                               | 26,371                               |
| Finance income  | 377                                  | 797                                  |
| Finance costs   | <u>(511)</u>                         | <u>(655)</u>                         |
| Profit before tax for the period                          | 21,490                               | 26,514                               |
| Income tax expense  | <u>(5,377)</u>                       | <u>(7,102)</u>                       |
| Profit for the period                                     | <u>16,112</u>                        | <u>19,411</u>                        |
| Attributable to:  |                                      |                                      |
| Owners of the Company                                     | 12,351                               | 14,586                               |
| Non-controlling interests                                 | <u>3,760</u>                         | <u>4,824</u>                         |
| Profit for the period                                     | <u>16,112</u>                        | <u>19,411</u>                        |
| Earnings per share (Yen)                                  | 39.97                                | 47.21                                |

**(3) Condensed quarterly consolidated statement of comprehensive income**

Millions of yen

|   | Three months ended<br>March 31, 2022 | Three months ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Profit for the period   | 16,112                               | 19,411                               |
| Other comprehensive income  |                                      |                                      |
| Items that will not be reclassified to profit or loss:                                  |                                      |                                      |
| Changes in the fair value of financial assets   | 155                                  | (88)                                 |
| Remeasurement of defined benefit plans  | 3                                    | (3)                                  |
| Total   | <u>159</u>                           | <u>(92)</u>                          |
| Items that may be reclassified to profit or loss:                                       |                                      |                                      |
| Translation adjustments of foreign operations   | 34,919                               | 17,476                               |
| Changes in the fair value of cash flow hedges   | 341                                  | 104                                  |
| Changes in comprehensive income of investments<br>accounted for using the equity method | 63                                   | 32                                   |
| Total   | <u>35,324</u>                        | <u>17,613</u>                        |
| Other comprehensive income for the period, net of tax                                   | <u>35,483</u>                        | <u>17,520</u>                        |
| Comprehensive income for the period   | <u>51,596</u>                        | <u>36,931</u>                        |
| Attributable to:  |                                      |                                      |
| Owners of the Company   | 42,639                               | 30,592                               |
| Non-controlling interests   | 8,956                                | 6,339                                |
| Comprehensive income for the period   | <u>51,596</u>                        | <u>36,931</u>                        |

**(4) Condensed quarterly consolidated statement of changes in equity**

Three months ended March 31, 2022

|   | Millions of yen                       |               |                   |                 |                            |          |                           |              |
|---|---------------------------------------|---------------|-------------------|-----------------|----------------------------|----------|---------------------------|--------------|
|   | Attributable to owners of the Company |               |                   |                 |                            |          | Non-controlling interests | Total equity |
|   | Share capital                         | Share premium | Retained earnings | Treasury shares | Other components of equity | Total    |                           |              |
| Balance at January 1, 2022                    | 168,384                               | 182,423       | 536,996           | (0)             | (27,210)                   | 860,593  | 83,358                    | 943,952      |
| Profit for the period                         |                                       |               | 12,351            |                 |                            | 12,351   | 3,760                     | 16,112       |
| Other comprehensive income                    |                                       |               |                   |                 | 30,287                     | 30,287   | 5,195                     | 35,483       |
| Total comprehensive income for the period     | –                                     | –             | 12,351            | –               | 30,287                     | 42,639   | 8,956                     | 51,596       |
| Dividends                                     |                                       |               | (12,050)          |                 |                            | (12,050) | (5)                       | (12,056)     |
| Transactions with non-controlling interests   |                                       | 36            |                   |                 |                            | 36       | (48)                      | (11)         |
| Reclassification to retained earnings         |                                       |               | (647)             |                 | 647                        | –        |                           | –            |
| Total transactions with owners of the Company | –                                     | 36            | (12,698)          | –               | 647                        | (12,014) | (53)                      | (12,068)     |
| Balance at March 31, 2022                     | 168,384                               | 182,459       | 536,649           | (0)             | 3,725                      | 891,218  | 92,260                    | 983,479      |

Three months ended March 31, 2023

|   | Millions of yen                       |               |                   |                 |                            |          |                           |              |
|---|---------------------------------------|---------------|-------------------|-----------------|----------------------------|----------|---------------------------|--------------|
|   | Attributable to owners of the Company |               |                   |                 |                            |          | Non-controlling interests | Total equity |
|   | Share capital                         | Share premium | Retained earnings | Treasury shares | Other components of equity | Total    |                           |              |
| Balance at January 1, 2023                    | 168,384                               | 182,229       | 594,773           | (0)             | 19,834                     | 965,220  | 94,883                    | 1,060,104    |
| Profit for the period                         |                                       |               | 14,586            |                 |                            | 14,586   | 4,824                     | 19,411       |
| Other comprehensive income                    |                                       |               |                   |                 | 16,006                     | 16,006   | 1,514                     | 17,520       |
| Total comprehensive income for the period     | –                                     | –             | 14,586            | –               | 16,006                     | 30,592   | 6,339                     | 36,931       |
| Dividends                                     |                                       |               | (12,668)          |                 |                            | (12,668) | 15                        | (12,653)     |
| Total transactions with owners of the Company | –                                     | –             | (12,668)          | –               | –                          | (12,668) | 15                        | (12,653)     |
| Balance at March 31, 2023                     | 168,384                               | 182,229       | 596,690           | (0)             | 35,840                     | 983,144  | 101,238                   | 1,084,382    |

**(5) Condensed quarterly consolidated statement of cash flows**

Millions of yen

|   | Three months ended<br>March 31, 2022 | Three months ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Cash flows from operating activities                                    |                                      |                                      |
| Profit before tax for the period  | 21,490                               | 26,514                               |
| Depreciation and amortization   | 17,485                               | 17,927                               |
| Impairment losses (reversal of impairment losses)                       | 39                                   | 128                                  |
| Interest and dividends income   | (133)                                | (799)                                |
| Interest expense  | 492                                  | 325                                  |
| Loss (gain) on investments accounted for using the equity method        | (40)                                 | (507)                                |
| Decrease (increase) in inventories                                      | (14,377)                             | (15,252)                             |
| Decrease (increase) in trade and other receivables                      | 24,708                               | 7,559                                |
| Increase (decrease) in trade and other payables                         | (11,668)                             | (10,155)                             |
| Other   | (1,413)                              | (3,171)                              |
| Subtotal  | 36,580                               | 22,568                               |
| Interest and dividends received   | 97                                   | 397                                  |
| Interest paid   | (581)                                | (426)                                |
| Income tax paid   | (5,445)                              | (9,943)                              |
| Net cash inflow (outflow) from operating activities                     | 30,651                               | 12,595                               |
| Cash flows from investing activities                                    |                                      |                                      |
| Payments for property, plant and equipment and intangible assets        | (12,156)                             | (14,739)                             |
| Proceeds on sale of property, plant and equipment and intangible assets | 59                                   | 99                                   |
| Proceeds from sale of businesses  | –                                    | 474                                  |
| Other   | 104                                  | (32)                                 |
| Net cash inflow (outflow) from investing activities                     | (11,993)                             | (14,198)                             |
| Cash flows from financing activities                                    |                                      |                                      |
| Increase (decrease) in short-term borrowings and commercial papers      | (5,807)                              | (809)                                |
| Repayments of long-term borrowings                                      | (12,768)                             | –                                    |
| Payments of lease liabilities   | (3,211)                              | (3,650)                              |
| Dividends paid to owners of the Company                                 | (12,050)                             | (12,668)                             |
| Dividends paid to non-controlling interests                             | (352)                                | (446)                                |
| Net cash inflow (outflow) from financing activities                     | (34,190)                             | (17,574)                             |
| Net increase (decrease) in cash and cash equivalents                    | (15,532)                             | (19,177)                             |
| Cash and cash equivalents at the beginning of the period                | 176,655                              | 200,630                              |
| Effects of exchange rate changes on cash and cash equivalents           | 4,317                                | 692                                  |
| Cash and cash equivalents included in assets held for sale              | (4,586)                              | –                                    |
| Cash and cash equivalents at the end of the period                      | 160,853                              | 182,145                              |

**(6) Notes to condensed quarterly consolidated financial statements**

**(Going concern)**

The condensed quarterly consolidated financial statements are prepared on going concern basis.