

**Supplementary Material on Consolidated Financial Results for the First
Three Months of the Year Ending December 31, 2023**

<Results for the First Three Months of the Year Ending December 31, 2023>

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Suntory Beverage & Food Limited

May 11, 2023

<Results for the First Three Months of 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)

	Three months ended March 31, 2022		Three months ended March 31, 2023		Increase (decrease)	
		Ratio to revenue		Ratio to revenue		
Revenue	296.0	100.0%	337.2	100.0%	41.2	13.9%
Gross profit	115.4	39.0%	124.2	36.8%	8.9	7.7%
Selling, general and administrative expenses	93.8	31.7%	98.0	29.0%	4.2	4.4%
Gain on investments accounted for using the equity method	0.0	0.0%	0.5	0.2%	0.5	–
Other income	0.7	0.2%	0.7	0.2%	(0.0)	(1.7)%
Other expenses	0.7	0.2%	1.1	0.3%	0.4	65.9%
Operating income	21.6	7.3%	26.4	7.8%	4.7	22.0%
Finance income	0.4	0.1%	0.8	0.2%	0.4	111.6%
Finance costs	0.5	0.2%	0.7	0.2%	0.1	28.1%
Profit before tax for the period	21.5	7.3%	26.5	7.9%	5.0	23.4%
Income tax expense	5.4	1.8%	7.1	2.1%	1.7	32.1%
Profit for the period	16.1	5.4%	19.4	5.8%	3.3	20.5%
Profit for the period attributable to non-controlling interests	3.8	1.3%	4.8	1.4%	1.1	28.3%
Profit for the period attributable to owners of the Company	12.4	4.2%	14.6	4.3%	2.2	18.1%

(2) Other Indices

(Billions of yen)

		Three months ended March 31, 2022		Three months ended March 31, 2023		Increase (decrease)	
Depreciation		17.5		17.9		0.4	2.5%
Operating income	Operating margin	21.6	7.3%	26.4	7.8%	4.7	22.0%
EBITDA *1	EBITDA margin	39.1	13.2%	44.4	13.2%	5.3	13.6%

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

		As at December 31, 2022		As at March 31, 2023		Increase (decrease)	
Total assets		1,783.3		1,796.1		12.8	0.7%
Total equity		1,060.1		1,084.4		24.3	2.3%
D/E ratio (Times) *2		(0.03)		(0.01)			

*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, 2022	Three months ended March 31, 2023
USD	116.4	132.4
EUR	130.4	142.2
GBP	156.0	161.0
SGD	86.0	99.4
THB	3.5	3.9
VND	0.0051	0.0056
NZD	78.7	83.4
AUD	84.3	90.6

2. Revenue Details

(Billions of yen with fractional amounts rounded off)

	Three months ended March 31, 2022	Three months ended March 31, 2023	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	134.0	145.8	11.8	8.8%	–	
Asia Pacific	80.4	89.9	9.5	11.9%	1.7%	*
Europe	55.8	68.6	12.8	23.0%	16.0%	*
Americas	25.9	32.9	7.0	27.2%	11.7%	
Reconciliations	–	–	–	–	–	
Consolidation total	296.0	337.2	41.2	13.9%	8.4%	

* 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 three months ended March 31, 2023. Accordingly, the information for the three months ended March 31, 2022 is presented based on the reportable segments after the reclassification.

3. Profit Details

(1) EBITDA

(Billions of yen)

	Three months ended March 31, 2022	Three months ended March 31, 2023	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	11.7	12.0	0.3	2.5%	–	
Asia Pacific	15.4	16.0	0.6	3.9%	(2.3)%	*1
Europe	9.9	13.9	3.9	39.6%	31.4%	*1
Americas	4.1	5.0	0.9	21.1%	6.4%	
Reconciliations	(2.0)	(2.4)	(0.4)	–	–	*2
Consolidation total	39.1	44.4	5.3	13.6%	7.7%	

*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 three months ended March 31, 2023. Accordingly, the information for the three months ended March 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)

	Three months ended March 31, 2022	Three months ended March 31, 2023	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	2.6	3.6	1.0	39.0%	–	
Asia Pacific	11.4	11.8	0.3	2.9%	(6.8)%	*1
Europe	7.3	10.4	3.2	43.5%	36.7%	*1
Americas	3.1	3.7	0.7	22.0%	7.2%	
Reconciliations	(2.7)	(3.2)	(0.4)	–	–	*2
Consolidation total	21.6	26.4	4.7	22.0%	12.0%	

*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 three months ended March 31, 2023. Accordingly, the information for the three months ended March 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 three months ended March 31, 2022, Actual	2.6
Increase in revenue	11.8
Increase in cost of goods sold	(9.5)
Increase in sales promotion and advertising costs	(1.3)
Increase in other expenses	(0.1)
Segment profit for the three months ended March 31, 2023, Actual	3.6

4. Summary of Consolidated Statement of Financial Position

(Billions of yen with fractional amounts rounded off)

	As at December 31, 2022	As at March 31, 2023	Increase (decrease)	Reference
Cash and cash equivalents	200.6	182.1	(18.5)	
Trade and other receivables	271.0	265.9	(5.1)	*1
Other financial assets	3.1	3.0	(0.1)	
Inventories	106.1	122.7	16.6	
Other current assets	25.6	27.2	1.7	
Current assets	606.4	601.0	(5.4)	
Property, plant and equipment	381.5	384.4	2.9	
Right-of-use assets	48.8	48.9	0.0	
Goodwill	264.6	267.9	3.3	*2
Intangible assets	452.4	463.2	10.7	*2
Investments accounted for using the equity method	1.3	2.0	0.7	
Other financial assets	14.8	14.7	(0.1)	
Deferred tax assets	6.4	6.6	0.2	
Other non-current assets	7.1	7.5	0.4	
Non-current assets	1,177.0	1,195.2	18.2	
Total assets	1,783.3	1,796.1	12.8	
Bonds and borrowings	58.0	57.0	(1.0)	
Trade and other payables	384.4	376.4	(8.0)	*1
Other financial liabilities	34.0	34.3	0.3	
Accrued income taxes	18.1	13.6	(4.5)	
Provisions	1.4	0.9	(0.5)	
Other current liabilities	8.3	8.9	0.6	
Current liabilities	504.2	491.1	(13.0)	
Bonds and borrowings	64.8	64.9	0.2	
Other financial liabilities	45.0	44.8	(0.2)	
Post-employment benefit liabilities	13.7	13.8	0.1	
Provisions	5.7	5.8	0.1	
Deferred tax liabilities	84.9	86.8	1.9	
Other non-current liabilities	5.0	4.5	(0.5)	
Non-current liabilities	219.1	220.6	1.5	
Total liabilities	723.2	711.8	(11.5)	
Total equity attributable to owners of the Company	965.2	983.1	17.9	
Non-controlling interests	94.9	101.2	6.4	
Total equity	1,060.1	1,084.4	24.3	
Total liabilities and equity	1,783.3	1,796.1	12.8	

*1 The decrease is mainly due to the impact of seasonal fluctuations on December 31 and March 31.

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

5. Summary of Consolidated Statement of Cash Flows

(Billions of yen with fractional amounts rounded off)

	Three months ended March 31, 2022	Three months ended March 31, 2023	Increase (decrease)
Profit before tax for the period	21.5	26.5	5.0
Depreciation and amortization	17.5	17.9	0.4
Other	(8.3)	(31.8)	(23.5)
Cash flows from operating activities	30.7	12.6	(18.1)
Payments for capital expenditures	(12.2)	(14.7)	(2.6)
Proceeds from sale of businesses	–	0.5	0.5
Other	0.2	0.1	(0.1)
Cash flows from investing activities	(12.0)	(14.2)	(2.2)
Increase (decrease) in interest-bearing debt	(21.8)	(4.5)	17.3
Dividends paid to owners of the Company	(12.1)	(12.7)	(0.6)
Dividends paid to non-controlling interests	(0.4)	(0.4)	(0.1)
Cash flows from financing activities	(34.2)	(17.6)	16.6
Net increase (decrease) in cash and cash equivalents	(15.5)	(19.2)	(3.6)
Effects of exchange rate changes	4.3	0.7	(3.6)
Cash and cash equivalents included in assets held for sale	(4.6)	–	4.6

6. Other Information

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

(Million cases)

	Three months ended March 31, 2022		Three months ended March 31, 2023	
	Actual	Increase (decrease)	Actual	Increase (decrease)
<i>Suntory Tennensui</i>	26.0	7%	26.6	2%
<i>Boss</i>	24.1	4%	24.6	2%
<i>Iyemon</i>	12.6	4%	11.8	(7)%
<i>Green DA•KA•RA</i>	6.5	5%	7.2	10%
<i>Suntory Oolong Tea</i>	2.8	(8)%	3.0	7%
<i>PEPSI</i>	3.5	22%	3.7	4%
FOSHU drinks and functional beverages	5.4	12%	8.3	55%
Total	88.3	4%	91.0	3%

* 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)

	Three months ended March 31, 2022		Three months ended March 31, 2023	
	Actual	Increase (decrease)	Actual	Increase (decrease)
<i>Oasis (France)</i>	64	15%	73	13%
<i>Schweppes (France)</i>	37	18%	38	4%
<i>Orangina (France)</i>	37	17%	40	9%
<i>Lucozade (UK, Ireland)</i>	94	14%	99	5%
<i>Ribena (UK, Ireland)</i>	20	5%	20	2%
<i>Schweppes (Spain, Portugal)</i>	21	14%	26	25%