

Financial Results for Q1 Year Ending December 31, 2023

May 11, 2023
Suntory Beverage & Food Limited

Financial Results for Q1 (Jan-Mar) FY2023 (IFRS)

(JPY BN)

	FY2023 Jan-Mar	Change			
		Incl. currency effect		Currency neutral	
		YoY	%YoY	YoY	%YoY
Revenue	337.2	+41.2	+13.9%	+26.3	+8.4%
Operating Income	26.4	+4.7	+22.0%	+2.8	+12.0%
Non-recurring items	-0.5	-1.1	—	-1.1	—
Operating Income (Organic basis*1)	26.8	+5.8	+27.6%	+4.0	+17.3%
Net Income*2	14.6	+2.2	+18.1%	+1.2	+9.3%

*1 Extraordinary factors and profit/loss impact from transferred business deducted from operating income

*2 Profit attributable to owners of the Company

Our Initiatives – Core Brands Innovation



(Source) Brand growth rates of the Company: volume on a shipment basis
 * Cumulative total from January to March
 * Japan's rates are in terms of the actual number of cases delivered

Financial Results for Q1 (Jan-Mar) FY2023 (IFRS) – Organic basis*

(JPY BN)

	Revenue	Change			
		Incl. currency effect		Currency neutral	
		YoY	%YoY	YoY	%YoY
Japan	145.8	+11.8	+8.8%	+11.8	+8.8%
APAC	89.9	+12.8	+16.6%	+5.0	+5.9%
Europe	68.6	+14.6	+26.9%	+11.5	+20.1%
Americas	32.9	+7.0	+27.2%	+3.5	+11.7%
Total	337.2	+46.2	+15.9%	+31.7	+10.4%
Segment Profit					
Japan	3.6	+1.0	+39.0%	+1.0	+39.0%
APAC	12.0	+0.6	+5.3%	-0.6	-4.6%
Europe	10.7	+4.0	+59.1%	+3.7	+52.5%
Americas	3.7	+0.7	+22.0%	+0.3	+7.2%
Reconciliation	-3.2	-0.5		-0.4	
Total	26.8	+5.8	+27.6%	+4.0	+17.3%

* Organic basis: Revenue excludes revenue from transferred business. Segment profit excludes extraordinary factors and profit/loss impact from transferred business.

* Africa has been reclassified from APAC to Europe in 2023. Reclassified 2022 figures are used in this table for year-on-year comparisons.

(JPY BN)

Revenue	%YoY		Segment Profit	%YoY	
	Incl. currency effect	Currency neutral		Incl. currency effect	Currency neutral
145.8 BN	+8.8%	—	3.6 BN	+39.0%	—

- Beverage market sales volume estimated at 100%, while SBF Japan marked 103% YoY. Fully focused activities for core brands led to above-market growth in all channels and market share gains. *Suntory Tennensui*, *BOSS* and *GREEN DA·KA·RA* performed well.
- Revenue grew faster than sales volume, reaching 109% of the previous year’s level. Significant contribution from price revisions for PET bottle products implemented from October 2022.
- Segment profit increased due to revenue growth and strict cost management, despite high raw material costs and yen depreciation as expected.



* Organic basis: Revenue excludes revenue from transferred business. Segment profit excludes extraordinary factors and profit/loss impact from transferred business.

(JPY BN)

Revenue	%YoY	
	Incl. currency effect	Currency neutral
89.9 BN	+16.6%	+5.9%

Segment Profit	%YoY	
	Incl. currency effect	Currency neutral
12.0 BN	+5.3%	-4.6%

	Revenue	%YoY	
		Incl. currency effect	Currency neutral
Beverage (Vietnam)	36.4 BN	+34.9%	+22.6%
Beverage (Thailand)	20.9	+20.9%	+8.8%
Health Supplement (*1)	8.0	-8.5%	-17.7%
Beverage (Oceania)	16.5	+25.2%	+17.3%

Traditional trade channel continued to grow amid steady demand trend. Core brands such as *TEA+* and *Sting* grew. Price revisions in February also contributed.

Demand trended steadily. *PEPSI* brand and *TEA+* grew. Flexible price revisions since last year also contributed.

Demand continued to decline due to inflation, etc. Strengthened activities for *BRAND'S Essence of Chicken*.

Strengthened activities for *V. BOSS* trended well. Price revisions in February also contributed.



(*1) Health Supplement results consist of Thailand and Indochina Peninsula
Organic basis: Revenue excludes revenue from transferred business. Segment profit excludes extraordinary factors and profit/loss impact from transferred business.

(JPY BN)

Revenue

68.6 BN

%YoY

Incl.
currency
effectCurrency
neutral

+26.9% +20.1%

Segment
Profit

10.7 BN

%YoY

Incl.
currency
effectCurrency
neutral

+59.1% +52.5%

Revenue

%YoY

Incl. currency
effect

Currency neutral

France 24.9 BN +25.2% +14.8%

UK 20.9 +20.0% +16.3%
(*1)Spain 11.5 +51.5% +38.9%
(*2)

Robust demand continued in both off- and on-premise. *Oasis*, *Schweppes*, and *Orangina* continued significant growth. Gained market share. Price revisions in March also contributed.

Demand remained strong. *Lucozade* and *Ribena* grew. Price revisions since last December also contributed.

Continued to benefit from favorable weather and increased on-premise demand. *Schweppes* grew double-digit. Price revisions since last November also contributed.



(*1) UK and Ireland (*2) Spain and Portugal

Organic basis: Revenue excludes revenue from transferred business. Segment profit excludes extraordinary factors and profit/loss impact from transferred business.

(JPY BN)

Revenue	%YoY		Segment Profit	%YoY	
	Incl. currency effect	Currency neutral		Incl. currency effect	Currency neutral
32.9 BN	+27.2%	+11.7%	3.7 BN	+22.0%	+7.2%

- Robust demand continued in both off- and on-premise channels.
- Sales volume trended positively due to increased activities in both carbonated and non-carbonated categories and channel expansion for *Gatorade*.
- Major contribution from price revision effect, leading to revenue growth.
- Absorbed impact of high raw material costs and rising labor costs, and achieved profit growth.



Organic basis: Revenue excludes revenue from transferred business. Segment profit excludes extraordinary factors and profit/loss impact from transferred business.

SUNTORY

SUNTORY BEVERAGE & FOOD

(JPY BN)

**FY2023
Jan-Mar**

Descriptions

Operating Income

26.4

Non-recurring items

-0.5

APAC -0.2 Europe -0.3

**Operating Income
(Organic basis)**

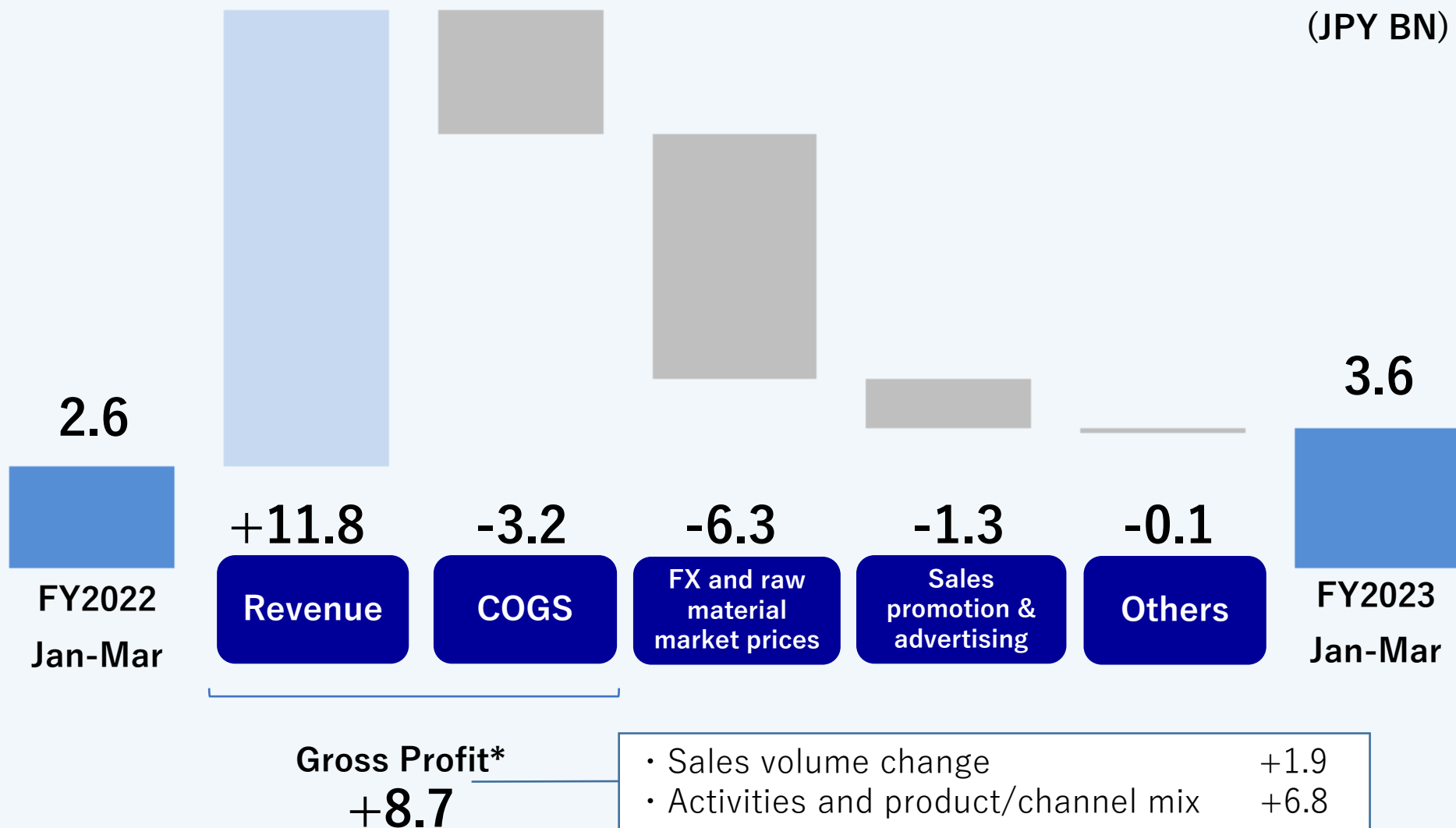
26.8

Financial Results for Q1 (Jan-Mar) FY2023 (IFRS) by Segment

(JPY BN)

	Revenue	Change			
		Incl. currency effect		Currency neutral	
		YoY	%YoY	YoY	%YoY
Japan	145.8	+11.8	+8.8%	+11.8	+8.8%
APAC	89.9	+9.5	+11.9%	+1.5	+1.7%
Europe	68.6	+12.8	+23.0%	+9.5	+16.0%
Americas	32.9	+7.0	+27.2%	+3.5	+11.7%
Total	337.2	+41.2	+13.9%	+26.3	+8.4%
Segment Profit					
Japan	3.6	+1.0	+39.0%	+1.0	+39.0%
APAC	11.8	+0.3	+2.9%	-0.9	-6.8%
Europe	10.4	+3.2	+43.5%	+2.8	+36.7%
Americas	3.7	+0.7	+22.0%	+0.3	+7.2%
Reconciliation	-3.2	-0.4		-0.4	
Total	26.4	+4.7	+22.0%	+2.8	+12.0%

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* Gross Profit excluding impact of FX and raw material market prices

Sales Volume of Major Brands

Japan

(Million cases)	Q1 FY2022		Q1 FY2023		FY2023	
	Actual	YoY	Actual	YoY	Forecast	YoY
<i>Suntory Tennensui</i>	26.0	7%	26.6	2%	132.0	2%
<i>Boss</i>	24.1	4%	24.6	2%	102.0	-2%
<i>Iyemon</i>	12.6	4%	11.8	-7%	63.0	2%
<i>GREEN DA·KA·RA</i>	6.5	5%	7.2	10%	48.0	-1%
<i>Suntory Oolong Tea</i>	2.8	-8%	3.0	7%	15.0	1%
<i>PEPSI</i>	3.5	22%	3.7	4%	17.0	-2%
FOSHU drinks and Foods with Function Claims	5.4	12%	8.3	55%	47.0	45%
Total	88.3	4%	91.0	3%	445.0	0%

* The portions of the sales volume that were supplied from other soft drink manufacturers such as Japan Beverage Holdings Inc. are not included in the above figures.

Europe

(Million liters)	Q1 FY2022		Q1 FY2023	
	Actual	YoY	Actual	YoY
<i>Oasis</i> (France)	64	15%	73	13%
<i>Schweppes</i> (France)	37	18%	38	4%
<i>Orangina</i> (France)	37	17%	40	9%
<i>Lucozade</i> (UK, Ireland)	94	14%	99	5%
<i>Ribena</i> (UK, Ireland)	20	5%	20	2%
<i>Schweppes</i> (Spain, Portugal)	21	14%	26	25%

Exchange Rates

(JPY, average during period)

	FY2022 Jan-Mar	FY2023 Jan-Mar	FY2023 Forecast
U.S. dollar	116.4	132.4	130.0
Euro	130.4	142.2	141.0
Sterling	156.0	161.0	160.0
Singapore dollar	86.0	99.4	98.0
Thai baht	3.5	3.9	3.9
Vietnam dong	0.0051	0.0056	0.0056
New Zealand dollar	78.7	83.4	84.0
Australian dollar	84.3	90.6	91.0

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