

Supplementary Material on Consolidated Financial Results
for the Fiscal Year Ended December 31, 2023

<Results for the Year Ended December 31, 2023>

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Suntory Beverage & Food Limited

February 15, 2024

<Results for the Year Ended 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		Year ended December 31, 2023		Increase (decrease)	
		Ratio to revenue		Ratio to revenue		
Revenue	1,450.4	100.0%	1,591.7	100.0%	141.3	9.7%
Gross profit	552.5	38.1%	590.0	37.1%	37.5	6.8%
Selling, general and administrative expenses	420.2	29.0%	445.4	28.0%	25.2	6.0%
Gain on investments accounted for using the equity method	0.4	0.0%	0.0	(0.0)%	(0.4)	—
Other income	19.4	1.3%	3.3	0.2%	(16.1)	(83.1)%
Other expenses	12.4	0.9%	6.1	0.4%	(6.3)	(50.6)%
Operating income	139.7	9.6%	141.7	8.9%	2.0	1.5%
Finance income	1.6	0.1%	4.3	0.3%	2.7	162.8%
Finance costs	2.0	0.1%	4.2	0.3%	2.2	108.6%
Profit before tax	139.3	9.6%	141.8	8.9%	2.5	1.8%
Income tax expense	38.2	2.6%	37.3	2.3%	(0.9)	(2.3)%
Profit for the period	101.1	7.0%	104.5	6.6%	3.4	3.3%
Profit for the year attributable to non-controlling interests	18.8	1.3%	21.7	1.4%	3.0	15.7%
Profit for the year attributable to owners of the Company	82.3	5.7%	82.7	5.2%	0.4	0.5%

(2) Other Indices

(Billions of yen)

		Year ended December 31, 2022		Year ended December 31, 2023		Increase (decrease)	
Depreciation		70.8		73.1		2.3	3.2%
Operating income		139.7		141.7		2.0	1.5%
Profit for the year attributable to owners of the Company		82.3		82.7		0.4	0.5%
EBITDA *1	EBITDA margin	202.6	14.0%	217.3	13.7%	14.7	7.3%

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

EPS (Yen)	266.40	267.78	1.38	0.5%
Operating margin	9.6%	8.9%		
ROE	9.0%	8.1%		
Dividend payout ratio *2	30.0%	29.9%		

*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, 2022	As at December 31, 2023	Increase (decrease)	
Total assets	1,783.3	1,912.4	129.1	7.2%
Total equity	1,060.1	1,185.0	124.9	11.8%
Capital expenditures	65.4	98.6	33.2	50.8%
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	Year ended December 31, 2023
USD	131.7	140.7
EUR	138.2	152.2
GBP	162.0	175.1
SGD	95.4	104.8
THB	3.8	4.0
VND	0.0056	0.0059
NZD	83.3	86.3
AUD	91.2	93.4

2. Revenue Details

(Billions of yen with fractional amounts rounded off)

	Year ended December 31, 2022	Year ended December 31, 2023	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	653.2	708.1	54.9	8.4%	–	
Asia Pacific	352.6	371.4	18.8	5.3%	0.0%	*
Europe	299.1	339.3	40.2	13.4%	4.1%	*
Americas	145.5	172.9	27.4	18.8%	11.2%	
Reconciliations	–	–	–	–	–	
Consolidation total	1,450.4	1,591.7	141.3	9.7%	5.7%	

* 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 ended 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	Year ended December 31, 2023	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	68.3	73.5	5.2	7.6%	–	
Asia Pacific	62.9	61.4	(1.5)	(2.3)%	(5.5)%	*1
Europe	56.5	66.8	10.3	18.1%	8.2%	*1
Americas	23.8	26.9	3.1	13.2%	6.0%	
Reconciliations	(8.8)	(11.2)	(2.4)	–	–	*2
Consolidation total	202.6	217.3	14.7	7.3%	2.7%	

*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 year ended 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	Year ended December 31, 2023	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	33.4	40.5	7.0	21.0%	–	
Asia Pacific	57.7	43.1	(14.7)	(25.4)%	(27.7)%	*1
Europe	42.1	51.7	9.6	22.8%	10.8%	*1
Americas	18.2	21.0	2.8	15.2%	7.8%	
Reconciliations	(11.8)	(14.5)	(2.7)	–	–	*2
Consolidation total	139.7	141.7	2.0	1.5%	(3.6)%	

*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 ended 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	54.9
Increase in cost of goods sold	(38.5)
Increase in sales promotion and advertising costs	(6.1)
Increase in other expenses	(3.3)
Segment profit for the year ended December 31, 2023, Actual	40.5

4. Summary of Consolidated Statement of Financial Position

(Billions of yen with fractional amounts rounded off)

	As at December 31, 2022	As at December 31, 2023	Increase (decrease)	Reference
Cash and cash equivalents	200.6	171.8	(28.9)	
Trade and other receivables	271.0	309.9	39.0	*1
Other financial assets	3.1	1.7	(1.5)	
Inventories	106.1	116.0	9.9	
Other current assets	25.6	28.2	2.6	
Subtotal	606.4	627.5	21.1	
Assets held for sale	–	11.4	11.4	*2
Current assets	606.4	638.9	32.5	
Property, plant and equipment	381.5	416.6	35.1	*3
Right-of-use assets	48.8	51.9	3.0	
Goodwill	264.6	278.2	13.7	
Intangible assets	452.4	495.3	42.9	*1
Investments accounted for using the equity method	1.3	0.1	(1.2)	
Other financial assets	14.8	14.5	(0.3)	
Deferred tax assets	6.4	9.0	2.6	
Other non-current assets	7.1	7.9	0.8	
Non-current assets	1,177.0	1,273.5	96.5	
Total assets	1,783.3	1,912.4	129.1	
Bonds and borrowings	58.0	49.4	(8.6)	*4
Trade and other payables	384.4	430.8	46.4	*1
Other financial liabilities	34.0	23.0	(11.0)	
Accrued income taxes	18.1	19.9	1.8	
Provisions	1.4	1.4	(0.0)	
Other current liabilities	8.3	6.1	(2.2)	
Subtotal	504.2	530.7	26.5	
Liabilities directly associated with assets held for sale	–	5.1	5.1	*2
Current liabilities	504.2	535.7	31.6	
Bonds and borrowings	64.8	25.0	(39.8)	*4
Other financial liabilities	45.0	45.5	0.5	
Post-employment benefit liabilities	13.7	14.3	0.6	
Provisions	5.7	6.1	0.3	
Deferred tax liabilities	84.9	94.0	9.0	
Other non-current liabilities	5.0	6.8	1.9	
Non-current liabilities	219.1	191.7	(27.4)	
Total liabilities	723.2	727.4	4.1	
Total equity attributable to owners of the Company	965.2	1,087.4	122.1	
Non-controlling interests	94.9	97.7	2.8	
Total equity	1,060.1	1,185.0	124.9	
Total liabilities and equity	1,783.3	1,912.4	129.1	

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

*2 The increase is mainly due to the impact of concluding share transfer agreements regarding shares of subsidiaries.

*3 The increase is mainly due to the impact of foreign currency translation of overseas subsidiaries and capital expenditures.

*4 The decrease is mainly due to the impact of repayments of long-term borrowings and redemption of bonds.

5. Summary of Consolidated Statement of Cash Flows

(Billions of yen with fractional amounts rounded off)

	Year ended December 31, 2022	Year ended December 31, 2023	Increase (decrease)
Profit before tax	139.3	141.8	2.5
Depreciation and amortization	70.8	73.1	2.3
Loss (gain) on sales of shares of subsidiaries	(16.0)	(0.0)	16.0
Other	(43.6)	(56.5)	(13.0)
Cash flows from operating activities	150.5	158.3	7.8
Payments for capital expenditures	(60.2)	(79.2)	(19.0)
Proceeds from sale of businesses	–	0.6	0.6
Proceeds from sale of subsidiaries	18.4	–	(18.4)
Other	(0.6)	0.8	1.4
Cash flows from investing activities	(42.4)	(77.8)	(35.4)
Increase (decrease) in interest-bearing debt	(51.1)	(65.3)	(14.2)
Dividends paid to owners of the Company	(24.1)	(25.0)	(0.9)
Dividends paid to non-controlling interests	(17.0)	(25.1)	(8.1)
Cash flows from financing activities	(92.2)	(115.4)	(23.2)
Net increase (decrease) in cash and cash equivalents	15.9	(34.9)	(50.8)
Effects of exchange rate changes	8.1	7.3	(0.7)
Cash and cash equivalents included in assets held for sale	–	(1.3)	(1.3)

6. Other Information

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

(Million cases)

	Year ended December 31, 2022		Year ended December 31, 2023	
	Actual	Increase (decrease)	Actual	Increase (decrease)
<i>Suntory Tennensui</i>	129.8	8%	138.3	7%
<i>BOSS</i>	104.3	(1)%	102.2	(2)%
<i>Iyemon</i>	61.7	4%	57.4	(7)%
<i>GREEN DA•KA•RA</i>	48.4	15%	50.4	4%
FOSHU drinks and functional beverages	32.6	62%	39.7	22%
Total	444.7	6%	454.3	2%

* 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, 2022		Year ended December 31, 2023	
	Actual	Increase (decrease)	Actual	Increase (decrease)
<i>Oasis (France)</i>	326	15%	331	2%
<i>Schweppes (France)</i>	198	14%	184	(7)%
<i>Orangina (France)</i>	187	11%	185	(2)%
<i>Lucozade (UK, Ireland)</i>	421	6%	431	2%
<i>Ribena (UK, Ireland)</i>	87	(4)%	82	(5)%
<i>Schweppes (Spain, Portugal)</i>	136	10%	137	0%

<Earnings Forecast for the Year Ending December 31, 2024>

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, 2023, Actual		Year ending December 31, 2024, Forecast		Increase (decrease)	
		Ratio to revenue		Ratio to revenue		
Revenue	1,591.7	100.0%	1,670.0	100.0%	78.3	4.9%
Gross profit	590.0	37.1%	624.0	37.4%	34.0	5.8%
Selling, general and administrative expenses	445.4	28.0%	470.0	28.1%	24.6	5.5%
Gain on investments accounted for using the equity method	(0.0)	(0.0)%	–	–%	0.0	–
Other income	3.3	0.2%	1.5	0.1%	(1.8)	(54.2)%
Other expenses	6.1	0.4%	6.5	0.4%	0.4	6.3%
Operating income	141.7	8.9%	149.0	8.9%	7.3	5.1%
Finance income	4.3	0.3%	4.5	0.3%	0.2	5.1%
Finance costs	4.2	0.3%	5.0	0.3%	0.8	18.3%
Profit before tax	141.8	8.9%	148.5	8.9%	6.7	4.7%
Income tax expense	37.3	2.3%	39.5	2.4%	2.2	5.9%
Profit for the year	104.5	6.6%	109.0	6.5%	4.5	4.3%
Profit for the year attributable to non-controlling interests	21.7	1.4%	24.5	1.5%	2.8	12.7%
Profit for the year attributable to owners of the Company	82.7	5.2%	84.5	5.1%	1.8	2.1%

(2) Other Indices

(Billions of yen)

		Year ended December 31, 2023, Actual		Year ending December 31, 2024, Forecast		Increase (decrease)	
Depreciation		73.1		77.5		4.4	6.0%
Operating income		141.7		149.0		7.3	5.1%
Profit for the year attributable to owners of the Company		82.7		84.5		1.8	2.1%
EBITDA *1	EBITDA margin	217.3	13.7%	231.5	13.9%	14.2	6.5%

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

EPS (Yen)	267.78	273.46
Operating margin	8.9%	8.9%
ROE	8.1%	7.6%
Dividend payout ratio *2	29.9%	40.2%

*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, 2023 Actual	As at December 31, 2024 Forecast	Increase (decrease)	
Total assets	1,912.4	1,942.0	29.6	1.5%
Total equity	1,185.0	1,244.5	59.5	5.0%
Capital expenditures	98.6	139.5	40.9	41.5%
D/E ratio (Times) *3	(0.04)	(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, 2023, Actual	Year ending December 31, 2024, Forecast
USD	140.7	145.0
EUR	152.2	158.0
GBP	175.1	184.0
SGD	104.8	108.0
THB	4.0	4.2
VND	0.0059	0.0060
NZD	86.3	87.0
AUD	93.4	94.0

2. Revenue Details

(Billions of yen with fractional amounts rounded off)

	Year ended December 31, 2023, Actual	Year ending December 31, 2024, Forecast	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	708.1	714.0	5.9	0.8%	–	
Asia Pacific	371.4	391.5	20.1	5.4%	3.3%	
Europe	339.3	375.5	36.2	10.7%	6.4%	
Americas	172.9	189.0	16.1	9.3%	6.1%	
Reconciliations	–	–	–	–	–	
Consolidation total	1,591.7	1,670.0	78.3	4.9%	3.2%	

3. Profit Details

(1) EBITDA

(Billions of yen)

	Year ended December 31, 2023, Actual	Year ending December 31, 2024, Forecast	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	73.5	74.0	0.5	0.7%	–	
Asia Pacific	61.4	69.5	8.1	13.2%	12.1%	
Europe	66.8	73.4	6.6	9.9%	5.4%	
Americas	26.9	30.1	3.2	11.9%	8.6%	
Reconciliations	(11.2)	(15.5)	(4.3)	–	–	*
Consolidation total	217.3	231.5	14.2	6.5%	4.4%	

* “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, 2023, Actual	Year ending December 31, 2024, Forecast	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	40.5	40.5	0.0	0.1%	–	
Asia Pacific	43.1	45.5	2.4	5.6%	3.6%	
Europe	51.7	58.5	6.8	13.1%	8.3%	
Americas	21.0	23.8	2.8	13.4%	10.2%	
Reconciliations	(14.5)	(19.3)	(4.8)	–	–	*
Consolidation total	141.7	149.0	7.3	5.1%	2.5%	

* “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, 2023, Actual	40.5
Increase in revenue	5.9
Increase in cost of goods sold	(6.5)
Increase in sales promotion and advertising costs	3.5
Increase in other expenses	(2.9)
Segment profit for the year ending December 31, 2024, Forecast	40.5

4. Other Information

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

(Million cases)

	Year ended December 31, 2023		Year ending December 31, 2024	
	Actual	Increase (decrease)	Forecast	Increase (decrease)
<i>Suntory Tennensui</i>	138.3	7%	139.5	1%
<i>BOSS</i>	102.2	(2)%	101.5	(1)%
<i>Iyemon</i>	57.4	(7)%	55.5	(3)%
<i>GREEN DA•KA•RA</i>	50.4	4%	48.5	(4)%
FOSHU drinks and functional beverages	39.7	22%	37.6	(5)%
Total	454.3	2%	448.5	(1)%

* 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.