

Summary of Consolidated Financial Results
for the First Three Months of the Fiscal Year Ending December 31, 2014
<under Japanese GAAP> (UNAUDITED)

Company name: **Suntory Beverage & Food Limited**
 Shares listed: First Section, Tokyo Stock Exchange
 Securities code: 2587
 URL: <http://www.suntory.com/sbf/>
 Representative: Nobuhiro Torii, President
 Inquiries: Tetsuo Ichimoto, Senior General Manager, Corporate Communication Department
 TEL: +81-3-3275-7022 (from overseas)

Scheduled date to file quarterly securities report: May 13, 2014
 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 fiscal year ending December 31, 2014 (from January 1, 2014 to March 31, 2014)

(1) Consolidated operating results

(Percentages indicate year-on-year changes)

| | Net sales | | Operating income | | Ordinary income | | Net income | |
|--------------------|-------------------|------|-------------------|------|-------------------|------|-------------------|-------|
| | (Millions of yen) | (%) |
| Three months ended | | | | | | | | |
| March 31, 2014 | 271,187 | 23.2 | 10,042 | 8.1 | 9,199 | 8.8 | 2,875 | 0.8 |
| March 31, 2013 | 220,116 | 6.5 | 9,288 | 55.4 | 8,454 | 75.1 | 2,852 | 519.2 |

Note: Comprehensive income
 For the three months ended March 31, 2014: ¥(1,962) million[-%]
 For the three months ended March 31, 2013: ¥23,060 million [7.4%]

Reference: EBITDA
 For the three months ended March 31, 2014: ¥28.4 billion [14.6%]
 For the three months ended March 31, 2013: ¥24.8 billion [26.5%]
 For the definition of EBITDA, its calculation method, etc., refer to "Segment information, etc." on page 9.

Net income before amortization of goodwill
 For the three months ended March 31, 2014: ¥9.1 billion [8.7%]
 For the three months ended March 31, 2013: ¥8.4 billion [52.5%]

| | Net income per share | Diluted net income per share |
|--------------------|----------------------|------------------------------|
| Three months ended | (Yen) | (Yen) |
| March 31, 2014 | 9.31 | - |
| March 31, 2013 | 13.21 | - |

Note: On April 16, 2013, the Company conducted a 1:500 share split whereby 1 share of common stock was split into 500 shares of common stock. The net income per share amounts were calculated on the assumption that the share split was conducted at the beginning of the previous fiscal year.

(2) Consolidated financial position

| | Total assets | Total equity | Shareholders' equity ratio |
|-------------------|-------------------|-------------------|----------------------------|
| As of | (Millions of yen) | (Millions of yen) | (%) |
| March 31, 2014 | 1,287,943 | 573,083 | 41.8 |
| December 31, 2013 | 1,256,701 | 592,968 | 44.4 |

Reference: Shareholders' equity (Equity excluding minority interests)

As of March 31, 2014: ¥537,963 million

As of December 31, 2013: ¥558,200 million

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 December 31, 2013 | – | 0.00 | – | 58.00 | 58.00 |
| Fiscal year ending December 31, 2014 | – | | | | |
| Fiscal year ending December 31, 2014 (Forecasts) | | 29.00 | – | 29.00 | 58.00 |

Note 1: Revisions to the forecasts of dividends most recently announced: None

Note 2: Fiscal year-end dividend for the fiscal year ended December 31, 2013:

The dividend amount includes a special dividend payment of ¥5.00 to commemorate the listing of shares on the stock exchange.

3. Consolidated earnings forecasts for the fiscal year ending December 31, 2014 (from January 1, 2014 to December 31, 2014)

(Percentages indicate year-on-year changes)

| | Net sales | | Operating income | | Ordinary income | | Net income | | Net income per share |
|--|-----------------------------------------|-----------|-------------------|--------|-------------------|--------|-------------------|--------|----------------------|
| | (Millions of yen) | (%) | (Millions of yen) | (%) | (Millions of yen) | (%) | (Millions of yen) | (%) | (Yen) |
| | Fiscal year ending December 31, 2014 | 1,260,000 | 12.4 | 85,000 | 16.9 | 78,000 | 16.0 | 35,000 | 12.2 |

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

Reference: EBITDA

For the fiscal year ending December 31, 2014 (forecast): ¥160.0 billion [14.6%]

Net income before amortization of goodwill

For the fiscal year ending December 31, 2014 (forecast): ¥58.5 billion [7.5%]

*** Notes**

- (1) Changes in significant subsidiaries during the three months ended March 31, 2014 (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Application of specific accounting for preparing quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections
- | | | |
|----|------------------------------------------------------------------------------------------------|------|
| a. | Changes in accounting policies due to revisions to accounting standards and other regulations: | None |
| b. | Changes in accounting policies due to other reasons: | None |
| c. | Changes in accounting estimates: | None |
| d. | Restatement of prior period financial statements after error corrections: | None |
- (4) Number of issued shares (common stock)
- | | | |
|----|-----------------------------------------------------------------------------------------------------------|--------------------|
| a. | Total number of issued shares at the end of the period (including treasury stock) | |
| | As of March 31, 2014 | 309,000,000 shares |
| | As of December 31, 2013 | 309,000,000 shares |
| b. | Number of treasury shares at the end of the period | |
| | As of March 31, 2014 | – shares |
| | As of December 31, 2013 | – shares |
| c. | Average number of outstanding shares during the period (cumulative from the beginning of the fiscal year) | |
| | Three months ended March 31, 2014 | 309,000,000 shares |
| | Three months ended March 31, 2013 | 216,000,000 shares |

Note: On April 16, 2013, the Company conducted a 1:500 share split whereby 1 share of common stock was split into 500 shares of common stock. The Company has calculated the number of issued shares (common stock) based on the assumption that the share split was conducted at the beginning of the previous fiscal year.

*** Indication regarding execution of quarterly review procedures**

The quarterly review pursuant to the Financial Instruments and Exchange Act does not apply to this quarterly financial results report. At the time of disclosure of this quarterly financial results report, the review procedures for quarterly consolidated financial statements pursuant to the Financial Instruments and Exchange Act have not been completed.

*** Proper use of earnings forecasts, and other special matters**

The earnings forecasts contained in these materials are based on our judgment attributable to information available to the Company and the Group as of the date of preparation of these materials, and include certain risks and uncertainties. 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

Index

| | | |
|-----|-------------------------------------------------------------------------------------------------------------------------------------------------------|----|
| 1. | Qualitative Information Regarding Settlement of Accounts for the First Three Months..... | 2 |
| (1) | Qualitative information regarding consolidated operating results | 2 |
| (2) | Financial position..... | 3 |
| (3) | Consolidated earnings forecasts and other forward-looking statements..... | 4 |
| 2. | Matters Regarding Summary Information (Notes) | 4 |
| (1) | Changes in significant subsidiaries during the three months ended March 31, 2014 | 4 |
| (2) | Application of specific accounting for preparing quarterly consolidated financial statements | 4 |
| (3) | Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections..... | 4 |
| 3. | Quarterly Consolidated Financial Statements (Unaudited)..... | 5 |
| (1) | Consolidated balance sheets..... | 5 |
| (2) | Consolidated statements of income and consolidated statements of comprehensive income..... | 7 |
| | Consolidated statements of income (cumulative) | 7 |
| | Consolidated statements of comprehensive income (cumulative)..... | 8 |
| (3) | Notes on premise of going concern..... | 9 |
| (4) | Segment information, etc. | 9 |
| (5) | Notes on substantial changes in the amount of shareholders' equity..... | 10 |

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

(1) Qualitative information regarding consolidated operating results

In the first three months of the fiscal year ending December 31, 2014 (from January 1, 2014 to March 31, 2014), weakness was observed in some areas of the global economy but overall it followed a trend of recovery. In the Japanese economy, economic activity recovered moderately, as seen by an improvement in corporate profits and an increase in consumer spending. Moreover, a rise in demand before a consumption tax increase in April was also observed.

Against this backdrop, the Suntory Beverage & Food Limited Group (the Group) strived to grow both its Japanese and overseas businesses further by generating demand through brand reinforcement. By utilizing the expertise of each company, the Group worked to improve quality throughout the group and strengthen earning capacity through cost reductions.

In the Japan segment, while continuing and strengthening efforts to date such as core-brand reinforcement and cost reductions, the Group proceeded with reforms designed to further strengthen the business structure to realize greater profit growth. In addition, the Group created new demand by such means as launching new products of FOSHU (a Food for Specified Health Uses) drinks that offer high added value.

In the Overseas segment, in addition to further strengthening core brands and reducing costs in each area, in Europe and Asia, the Group strived to strengthen the business foundation to achieve future sales and profit growth. Furthermore, Lucozade Ribena Suntory Limited, which obtained the commercial rights and production facilities for *Lucozade* and *Ribena*, two of the UK's iconic beverage brands, commenced business from January.

As a result of the above, for the operating results of the first three months of the fiscal year under review, the Group reported consolidated net sales of ¥271.2 billion, up 23.2% year on year, operating income of ¥10.0 billion, up 8.1%, ordinary income of ¥9.2 billion, up 8.8%, and net income of ¥2.9 billion, up 0.8%.

Results by segment are as follows:

< Japan segment >

In the *Suntory Tennensui* range, the Group promoted the brand's original value as a core brand for the business in Japan by emphasizing its qualities of "clear & tasty" and "natural & healthy," to achieve a significant increase in sales volume. In addition, the *Suntory Minami-Alps Tennensui Sparkling* and its variety, *Suntory Minami-Alps Tennensui Sparkling Lemon*, contributed toward expanding the sugar-free carbonated water market.

In the *BOSS* coffee range, the Group began reaping benefit from the brand reinforcement activities implemented since last year for the core products including *Rainbow Mountain Blend*, *Zeitaku Bito*, *Muto Black*, and *Café au Lait*, and sales volume grew considerably. In addition, the FOSHU canned coffee *BOSS GREEN*, launched in January, also contributed to sales growth.

In the *Iyemon* range, the FOSHU green tea *Iyemon Tokucha*, which the Group launched in October last year to add to the two pillars *Iyemon* and *Zeitaku Reicha*, continued to sell strongly.

The sales volume of the *Pepsi* range grew substantially as a result of topical advertising activities to promote *Pepsi NEX ZERO*, which had its contents and packaging renewed in March.

The sales volume of the *Suntory Oolong Tea* range grew year on year as a result of the Group developing marketing activities that promoted the excellent compatibility of these products with meat dishes in advertisements and in-store activities.

The sales volume for the functional beverage *GREEN DAKARA* (including sales of the barley tea *GREEN DAKARA Yasashii Mugicha*) nearly doubled year on year as it obtained greater recognition as a fluid replacement beverage as a countermeasure for the dry in winter. Although

the sales volume of the carbonated fruit drink *Orangina* was slightly lower year on year, it continued to be supported by customers as a product with the “only one” value it offers.

The FOSHU drink products, which are attracting attention on the back of increasing health consciousness, helped the Company achieve market expansion. In total, the sales volume of the FOSHU drink products, which include *Suntory Black Oolong Tea*, *Suntory Goma Mugicha* and *Pepsi Special* in addition to the aforementioned *Iyemon Tokucha* and *BOSS GREEN*, grew substantially.

The Group recorded the highest ever first-quarter sales volume for the segment on account of core brand growth achieved through stronger investment in marketing such as advertising, as well as a rise in demand before the consumption tax increase. In addition, the Group continued to work aggressively to boost profitability by reducing manufacturing and distribution costs.

As a result of the above, the Japan segment reported year-on-year increases in both net sales and segment profit, as shown below.

Japan segment net sales: ¥156.6 billion (up 10.4% year on year)

Japan segment profit: ¥7.3 billion (up 15.6% year on year)

< Overseas segment >

In Europe, marketing activities centered on the core brands of *Orangina* and *Schweppes* were conducted in France and Spain. In the UK, the Group obtained a firm performance from *Lucozade* and *Ribena*, for which it obtained the commercial rights and production facilities. Furthermore, aiming to realize growth and strengthen business throughout Europe, the Group established Suntory Beverage & Food Europe Limited, giving it the role of managing the European business.

In Oceania, the Frucor Group worked to boost brand power by such means as launching products with new flavors in its mainstay range of energy drinks marketed under the *V* brand.

With respect to Asia, we made aggressive efforts to expand business in countries with continuing economic growth mainly by strengthening our business foundation and launching new products. In Thailand, sales of the mainstay health food *BRAND'S Essence of Chicken* was affected by an unstable economic environment. In Indonesia, however, the Suntory brand *MYTEA Oolong Tea* was popular, and the coffee beverage *De'Koffie*, which utilizes R&D technology developed in Japan, was launched in March. In Vietnam, in addition to the *Pepsi* brand products, Suntory brand *TEA+ Oolong Tea* penetrated the market and contributed to the increase in sales.

In the Americas, the Group gained improvement in business efficiency such as sales activities and distribution, and sales were strengthened further for the *Pepsi* brand products, focusing on the state of North Carolina.

In addition to activities to increase sales in each area, the Group strove to improve quality and strengthen earning capacity through the overseas deployment of the R&D technology and knowhow for the reduction of costs developed in Japan. Moreover, we strengthened the role of managing the businesses of Europe and Asia in order to achieve further growth.

As a result of these activities, the overseas segment reported year-on-year increases in both net sales and segment profit, as shown below.

Overseas segment net sales: ¥114.6 billion (up 46.5% year on year)

Overseas segment profit: ¥9.0 billion (up 5.6% year on year)

(2) Financial position

Total assets as of March 31, 2014 stood at ¥1,287.9 billion, an increase of ¥31.2 billion compared to December 31, 2013. The main factors were increases in cash and cash equivalents, notes and accounts receivable-trade, merchandise and finished goods and other items.

Total liabilities stood at ¥714.9 billion, an increase of ¥51.1 billion compared to December 31, 2013. This was due to increases in notes and accounts payable-trade, interest-bearing debt and other items, while accrued income taxes decreased due to payment of income taxes.

Equity stood at ¥573.1 billion, a decrease of ¥19.9 billion compared to December 31, 2013, due in part to a decrease in retained earnings resulting from payments of cash dividends.

(3) Consolidated earnings forecasts and other forward-looking statements

No changes have been made to the consolidated earnings forecasts for the fiscal year ending December 2014, which were announced on February 14, 2014.

2. Matters Regarding Summary Information (Notes)

(1) Changes in significant subsidiaries during the three months ended March 31, 2014

No items to report

(2) Application of specific accounting for preparing quarterly consolidated financial statements

No items to report

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections

No items to report

3. Quarterly Consolidated Financial Statements (Unaudited)

(1) Consolidated balance sheets

(Millions of yen)

| | As of December 31, 2013 | As of March 31, 2014 |
|--------------------------------------|-------------------------|----------------------|
| Assets | | |
| Current assets | | |
| Cash and cash equivalents | 45,869 | 62,867 |
| Notes and accounts receivable-trade | 126,116 | 142,966 |
| Merchandise and finished goods | 40,140 | 45,573 |
| Work in process | 2,991 | 3,711 |
| Raw materials and supplies | 24,523 | 26,569 |
| Other | 44,000 | 48,809 |
| Allowance for doubtful accounts | (320) | (352) |
| Total current assets | 283,321 | 330,146 |
| Noncurrent assets | | |
| Property, plant, and equipment | | |
| Machinery, equipment, and other | 133,396 | 130,054 |
| Other | 179,424 | 182,162 |
| Total property, plant, and equipment | 312,820 | 312,217 |
| Intangible fixed assets | | |
| Goodwill | 400,050 | 388,840 |
| Trademarks | 184,942 | 182,836 |
| Other | 37,656 | 36,706 |
| Total intangible fixed assets | 622,649 | 608,383 |
| Investments and other assets | | |
| Investment securities | 17,820 | 18,050 |
| Other | 19,800 | 18,737 |
| Allowance for doubtful accounts | (842) | (605) |
| Total investments and other assets | 36,778 | 36,183 |
| Total noncurrent assets | 972,249 | 956,784 |
| Deferred assets | 1,131 | 1,011 |
| Total | 1,256,701 | 1,287,943 |

(Millions of yen)

| | As of December 31, 2013 | As of March 31, 2014 |
|-----------------------------------------------------------------------------|-------------------------|----------------------|
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable-trade | 99,794 | 104,392 |
| Electronically recorded obligations-operating | 14,696 | 14,524 |
| Short-term borrowings | 156,772 | 75,692 |
| Commercial papers | 16,000 | 14,000 |
| Accrued income taxes | 11,227 | 7,444 |
| Provision for bonuses | 3,949 | 4,284 |
| Lease obligations | 1,432 | 1,322 |
| Other | 142,764 | 151,535 |
| Total current liabilities | 446,636 | 373,195 |
| Long-term liabilities | | |
| Long-term debt | 129,346 | 254,486 |
| Liability for employee retirement benefits | 6,320 | 6,381 |
| Retirement allowances for directors and audit and supervisory board members | 23 | 21 |
| Lease obligations | 2,760 | 2,539 |
| Other | 78,645 | 78,233 |
| Total long-term liabilities | 217,096 | 341,663 |
| Total liabilities | 663,733 | 714,859 |
| Equity | | |
| Shareholders' equity | | |
| Common stock | 168,384 | 168,384 |
| Capital surplus | 192,701 | 192,701 |
| Retained earnings | 141,077 | 126,031 |
| Total shareholders' equity | 502,163 | 487,117 |
| Accumulated other comprehensive income | | |
| Unrealized gain on available-for-sale securities | 963 | 1,013 |
| Deferred gain (loss) on derivatives under hedge accounting | 264 | (91) |
| Foreign currency translation adjustments | 54,809 | 49,924 |
| Total accumulated other comprehensive income | 56,037 | 50,846 |
| Minority interests | 34,767 | 35,119 |
| Total equity | 592,968 | 573,083 |
| Total | 1,256,701 | 1,287,943 |

(2) Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income (cumulative)

(Millions of yen)

| | Three months ended March 31, 2013 | Three months ended March 31, 2014 |
|----------------------------------------------------|--------------------------------------|--------------------------------------|
| Net sales | 220,116 | 271,187 |
| Cost of sales | 98,190 | 125,971 |
| Gross profit | 121,925 | 145,216 |
| Selling, general, and administrative expenses | 112,636 | 135,174 |
| Operating income | 9,288 | 10,042 |
| Non-operating income | | |
| Interest income | 75 | 68 |
| Dividend income | 32 | 43 |
| Equity in earnings of affiliates | 101 | 166 |
| Foreign currency exchange gain, net | 87 | 296 |
| Other | 194 | 172 |
| Total non-operating income | 490 | 746 |
| Non-operating expenses | | |
| Interest expense | 1,257 | 1,122 |
| Other | 66 | 466 |
| Total non-operating expenses | 1,324 | 1,589 |
| Ordinary income | 8,454 | 9,199 |
| Extraordinary income | | |
| Gain on sales of noncurrent assets | 7 | 64 |
| Insurance income | 1,053 | - |
| Other | 0 | 15 |
| Total extraordinary income | 1,061 | 80 |
| Extraordinary loss | | |
| Loss on disposal of property, plant, and equipment | 592 | 656 |
| Restructuring cost | 1,138 | 1,237 |
| Other | 53 | 71 |
| Total extraordinary losses | 1,784 | 1,966 |
| Income before income taxes and minority interests | 7,731 | 7,313 |
| Income taxes | 4,387 | 3,797 |
| Net income before minority interests | 3,343 | 3,516 |
| Minority interests in net income | 491 | 640 |
| Net income | 2,852 | 2,875 |

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

| | Three months ended March 31, 2013 | Three months ended March 31, 2014 |
|------------------------------------------------------------|--------------------------------------|--------------------------------------|
| Net income before minority interests | 3,343 | 3,516 |
| Other comprehensive income | | |
| Unrealized gain on available-for-sale securities | 290 | 49 |
| Deferred gain (loss) on derivatives under hedge accounting | 904 | (356) |
| Foreign currency translation adjustments | 18,042 | (5,046) |
| Share of other comprehensive income in associates | 479 | (125) |
| Total other comprehensive income | 19,716 | (5,479) |
| Total comprehensive income | 23,060 | (1,962) |
| Total comprehensive income attributable to: | | |
| Owners of the parent (the Company) | 21,541 | (2,315) |
| Minority interests | 1,519 | 352 |

(3) Notes on premise of going concern

No items to report

(4) Segment information, etc.

I. Three months ended March 31, 2013

1. Information regarding amounts of sales and profit/loss by reportable segment

(Millions of yen)

| | Reportable segments | | Total | Reconciliations (Note 1) | Consolidated (Note 2) |
|---------------------------------|---------------------|----------------------|---------|-----------------------------|--------------------------|
| | Japan | Overseas (Note 4) | | | |
| Sales | | | | | |
| Sales to external customers | 141,884 | 78,231 | 220,116 | – | 220,116 |
| Intersegment sales or transfers | – | 152 | 152 | (152) | – |
| Total | 141,884 | 78,383 | 220,268 | (152) | 220,116 |
| Segment profit (Note 3) | 6,319 | 8,533 | 14,853 | (5,564) | 9,288 |

- Notes 1. The reconciliations of segment profit represent amortization of goodwill unallocated to each reportable segment.
2. The segment profit is adjusted with operating income described on the quarterly consolidated statements of income.
3. The EBITDA for each reportable segment is as follows:

(Millions of yen)

| | Japan | Overseas | Total |
|-------------------------------|--------|----------|--------|
| Segment profit | 6,319 | 8,533 | 14,853 |
| Depreciation and amortization | 7,309 | 2,622 | 9,931 |
| EBITDA | 13,628 | 11,155 | 24,784 |

EBITDA is the sum of segment profit and depreciation and amortization.

4. The breakdown of sales, profit and EBITDA by overseas segment shown below has been categorized by the location of parent companies of local group companies.

(Millions of yen)

| | Europe | Oceania | Asia | Americas | Total |
|---------------------------------|--------|---------|--------|----------|--------|
| Sales | | | | | |
| Sales to external customers | 29,728 | 10,163 | 22,366 | 15,972 | 78,231 |
| Intersegment sales or transfers | 152 | – | – | – | 152 |
| Total | 29,881 | 10,163 | 22,366 | 15,972 | 78,383 |
| Segment profit | 3,568 | 1,304 | 2,341 | 1,318 | 8,533 |
| Depreciation and amortization | 967 | 301 | 670 | 683 | 2,622 |
| EBITDA | 4,535 | 1,605 | 3,012 | 2,001 | 11,155 |

2. Information regarding impairment loss on noncurrent assets, goodwill and negative goodwill, etc. by reportable segment

(Significant impairment loss on noncurrent assets)

No items to report

(Significant change in amount of goodwill)

No items to report

(Significant gain on negative goodwill)

No items to report

II. Three months ended March 31, 2014

1. Information regarding amounts of sales and profit/loss by reportable segment

(Millions of yen)

| | Reportable segments | | Total | Reconciliations (Note 1) | Consolidated (Note 2) |
|---------------------------------|---------------------|----------------------|---------|-----------------------------|--------------------------|
| | Japan | Overseas (Note 4) | | | |
| Sales | | | | | |
| Sales to external customers | 156,598 | 114,589 | 271,187 | – | 271,187 |
| Intersegment sales or transfers | – | 345 | 345 | (345) | – |
| Total | 156,598 | 114,934 | 271,533 | (345) | 271,187 |
| Segment profit (Note 3) | 7,307 | 9,007 | 16,315 | (6,272) | 10,042 |

- Notes 1. The reconciliations of segment profit represent amortization of goodwill unallocated to each reportable segment.
2. The segment profit is adjusted with operating income described on the quarterly consolidated statements of income.
3. The EBITDA for each reportable segment is as follows:

(Millions of yen)

| | Japan | Overseas | Total |
|-------------------------------|--------|----------|--------|
| Segment profit | 7,307 | 9,007 | 16,315 |
| Depreciation and amortization | 7,519 | 4,575 | 12,094 |
| EBITDA | 14,827 | 13,583 | 28,410 |

EBITDA is the sum of segment profit and depreciation and amortization.

4. The breakdown of sales, profit and EBITDA by overseas segment shown below has been categorized by the location of parent companies of local group companies.

(Millions of yen)

| | Europe | Oceania | Asia | Americas | Total |
|---------------------------------|--------|---------|--------|----------|---------|
| Sales | | | | | |
| Sales to external customers | 55,205 | 10,237 | 33,387 | 15,759 | 114,589 |
| Intersegment sales or transfers | 345 | – | – | – | 345 |
| Total | 55,551 | 10,237 | 33,387 | 15,759 | 114,934 |
| Segment profit | 4,711 | 1,103 | 1,921 | 1,271 | 9,007 |
| Depreciation and amortization | 2,065 | 335 | 1,492 | 681 | 4,575 |
| EBITDA | 6,776 | 1,438 | 3,414 | 1,953 | 13,583 |

2. Information regarding impairment loss on noncurrent assets, goodwill and negative goodwill, etc. by reportable segment

(Significant impairment loss on noncurrent assets)

No items to report

(Significant change in amount of goodwill)

No items to report

(Significant gain on negative goodwill)

No items to report

(5) Notes on substantial changes in the amount of shareholders' equity

No items to report