

**Suntory Holdings Limited**

February 16, 2018

**SUMMARY OF CONSOLIDATED FINANCIAL STATEMENTS AS OF  
DECEMBER 31, 2017 [IFRS] (English Translation, UNAUDITED)**

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(Fractions of millions have been truncated)

**1. Consolidated operating results and financial positions for the fiscal year  
(January 1, 2017 - December 31, 2017)**

(1) Operating results (% figures represent change from the same period of the previous fiscal year)

Fiscal year ended	Revenue (including excise taxes)		Revenue (excluding excise taxes)		Operating income		Profit before income taxes		Profit for the year		Profit attributable to owners of the parent	
	¥million	%	¥million	%	¥million	%	¥million	%	¥million	%	¥million	%
December 31, 2017	2,420,286	2.6	2,157,531	2.7	253,639	0.3	226,890	1.4	251,846	13.0	211,448	13.9
December 31, 2016	2,358,404	—	2,101,598	—	252,888	—	223,837	—	222,812	—	185,682	—

Reference: Adjusted operating income for the fiscal year ending December 31, 2017 255,445 ¥million 3.2 %

Adjusted operating income for the fiscal year ending December 31, 2016 247,565 ¥million - %

Adjusted operating income was calculated as operating income excluding non-recurring items.

Fiscal year ended	Earnings per share attributable to owners of the parent (basic)	Earnings per share attributable to owners of the parent (diluted)	Profit ratio to equity attributable to owners of the parent	Profit before income taxes ratio to total assets	Operating income ratio to revenue (excluding excise taxes)
December 31, 2017	¥ 308 .63	¥ —	% 19.5	% 5.0	% 11.8
December 31, 2016	¥ 271 .40	¥ —	% 20.0	% 4.9	% 12.0

## (2) Financial positions

Fiscal year ended	Total assets	Total equity	Equity attributable to owners of the parent	Equity attributable to owners of the parent ratio	Equity per share attributable to owners of the parent
December 31, 2017	¥million 4,579,576	¥million 1,545,713	¥million 1,204,747	% 26.3	¥ 1,757 .07
December 31, 2016	¥million 4,472,380	¥million 1,272,134	¥million 966,979	% 21.6	¥ 1,412 .09

## (3) Cash flows

Fiscal year ended	Operating activities	Investing activities	Financing activities	Cash and cash equivalents at the end of the year
December 31, 2017	¥million 261,703	¥million (80,049)	¥million (172,042)	¥million 359,518
December 31, 2016	¥million 252,606	¥million (62,371)	¥million (87,721)	¥million 352,519

**2. Dividends**

Fiscal year ended	Dividends per share (Annual)	Total cash dividends (Annual)	Dividend payout ratio (Consolidated)	Ratio of dividends to equity attributable to owner of the parent
December 31, 2017	¥ 13 .00	¥million 8,913	% 4.2	% 0.8
December 31, 2016	¥ 13 .00	¥million 8,902	% 4.8	% 1.0

**3. Consolidated result forecast for the fiscal year ending December 31, 2018  
(January 1, 2018 - December 31, 2018)**

	Revenue (including excise taxes)		Revenue (excluding excise taxes)		Operating income		Profit before income taxes		Profit for the year		Profit attributable to owners of the parent
	¥million	%	¥million	%	¥million	%	¥million	%	¥million	%	¥
Fiscal year ended December 31, 2018	2,500,000	3.3	2,235,000	3.6	264,000	4.1	239,000	5.3	126,000	(40.4)	183 .77

Reference: Adjusted operating income for the fiscal year ending December 31, 2018 258,000¥million 1.0 %

## Operating Results

### 1. Overview of the Twelve-Month Period Ended December 31, 2017

The Suntory Group has actively expanded business in each of three segments, “Non-Alcoholic Beverages and Food,” “Alcoholic Beverages,” and “Other Businesses,” both domestically and abroad. In the fiscal year under review, revenue (excluding excise taxes) grew by 2.7% over the same period of the previous year to 2.158 trillion yen, while revenue (including excise taxes) came to 2.420 trillion yen, an increase of 2.6% from the same period of the previous year, while operating income rose by 0.3% to 253.6 billion yen, and profit attributable to owners of the parent was 211.4 billion yen (up 13.9% over the same period of the previous year).

Also note that the Company voluntarily introduced International Financial Reporting Standards starting in the fiscal term under review. In the year-on-year comparison, the figures for the previous consolidated fiscal year have been recalculated to conform to IFRS.

#### <Non-Alcoholic Beverages and Food Segment>

Suntory Beverage & Food Limited focused on strengthening brands and creating new demand with the aim of proposing unique, high-quality products that capture the customer's tastes and needs to further enrich customer lifestyles, while leveraging expertise of each Group company in order to strengthen profitability by reforming the cost structure, as well as improving product quality of the entire Group.

In Japan, the Company aimed to create new demand by offering products with new value, in addition to strengthening core brands, resulting in sales volume exceeding the level of the same period of the previous year. In the *Suntory Tennensui* line, sales of the flagship *Suntory Tennensui* continued to perform well. Due partly to the contribution to sales from the new *Suntory Tennensui PREMIUM MORNING TEA* product, the brand's overall sales volume grew significantly year on year. The *BOSS* brand focused on promoting its flagship products, and in addition the *Pride of BOSS* was launched in September to commemorate the 25th anniversary of the brand's launch. Also, due to a strong performance from *Craft BOSS* in plastic bottles the brand's overall sales volume grew significantly year on year. In the *Iyemon* brand, both the flavor and packaging were renewed. Active marketing operations also bore fruit, and sales volume grew over previous year. In FOSHU products, the Company worked to attract new consumers, while continuing proactive marketing activities. In the vending machine operation business, attempts were made to raise the appeal of the vending machine channel through such measures as launching products exclusive to vending machines and using original campaigns, in addition to focusing on corporate sales and attempting to capture office beverage demand.

In Europe, proactive marketing activities were rolled out, based around the flagship brands. In France, sales volume of *Orangina* and *Oasis* sales surpassed those of the previous year. Sales were also strong for the low-sugar premium iced tea *MayTea*. In the United Kingdom, sales of sports drink *Lucozade Sport* performed well due to proactive marketing activities, but overall sales volumes for the *Lucozade* brand including energy drinks fell below previous-year levels. In Spain, the focus on the on-premise channel continued, and *Schweppes* sales, primarily tonic water, were strong.

In Asia, in addition to strengthening flagship brands, we took initiatives to reinforce the sales and distribution systems in each country. The soft drinks business actively conducted marketing activities for energy drink *Sting* and *TEA+* in Vietnam, and sales increased year on year. In the health food business, sales of *BRAND'S Essence of Chicken* grew.

In Oceania, we conducted proactive marketing activities, primarily for flagship brands, and worked on expanding sales. In New Zealand, we introduced new flavors and conducted marketing activities centered around the *V* energy drink and the *Just Juice* fruit juice. In Australia, in addition to expanding the flavors of *V*, we strengthened in-store sales promotions for the *Maximus* sports drink with the aim of expanding sales.

In the Americas, in addition to further strengthening sales of PepsiCo brands mainly in the state of North Carolina, focus was placed on the growing non-carbonated drinks category such as water and coffee beverages.

As a result of the above, revenue for the Non-Alcoholic Beverages and Food Segment increased 2.2% year on year to 1.226 trillion yen, while operating income increased by 5.5% to 138.8 billion yen.

<Alcoholic Beverages Segment> The revenue figures for the Alcoholic Beverages Segment exclude excise taxes.

Full-year comparable revenue for Beam Suntory Inc. increased at a mid-single-digit rate, driven by market share gains in the United States, Japan and many key markets, and double-digit global volume growth for brands including *Jim Beam* and *Maker's Mark*. Super-premium Bourbons *Knob Creek* and *Basil Hayden's* grew sales at a strong double-digit rate. Strong growth for the company's Tequila brands, led by *Hornitos* and *Sauza*, and Gin brands, including *Sipsmith* and *Larios*, added to the company's global growth. Geographically, year-on-year revenue grew at a mid-single-digit rate in the United States, a high-single-digit rate in Europe, and a double-digit rate in Southeast Asia and China.

The company's Japan business (Suntory Spirits Limited) saw 6% year-on-year growth in revenue. Among whiskies, strategic brands *Kakubin*, *Jim Beam*, *Torys (Classic)* and *Maker's Mark* delivered strong growth. *Hibiki 21 Years Old* won the "Supreme Champion Spirit"

award, a top award that is given to the most outstanding product from across all categories, at the International Spirits Challenge in July. RTD beverages grew for the 13th consecutive year, with sales volume increasing 10% year on year. *-196°C Strong Zero* continued its rapid growth as consumers are increasingly pairing the refreshing brand with food. In addition, *Kokushibori Premium* and canned highball products grew significantly. In July, Suntory Spirits Limited launched *ROKU Japanese Craft Gin* in an effort to create new demand.

With the overall market<sup>\*1</sup> estimated to have fallen by about 2% year on year, Suntory Beer Limited posted flat sales of 71.51 million cases<sup>\*2</sup>, exceeding that of the overall market. The company's market share for beer excluding alcohol-free beer-type beverages reached a record-high level of 16.0% (on a taxable volume basis).

With flat sales of 17.05 million cases, *The Premium Malt's* brand outperformed the beer market as a whole. *The Premium Malt's* brand cans and barrel draft received their first major renewal in five years, with each posting favorable increases of 2% year on year. Sales volume of new genres reached record highs. As well as approximately 10% year-on-year growth recorded by *Kinmugi <75% Less Sugar<sup>\*3</sup>>*, the newly launched high-alcohol new genre *Itadaki<sup>\*4</sup>* product also contributed to the increase.

For the *All Free* brand, we worked on expanding consumers by proactive marketing activities aimed at expanding the alcohol-free beer-type beverage market.

\*1 Including alcohol-free beer-type beverages, volume basis

\*2 Converted to large bottles (1 case = 633 ml × 20 bottles)

\*3 Compared to Suntory's *Kinmugi*

\*4 In comparisons of original wort extract concentration, alcohol percentage and carbon dioxide concentration (comparison with the Company's liqueur [effervescent] 1 [excluding limited edition items])

Suntory Wine International Limited's revenue rose year on year. In Japanese wine, sales volume of the *Sankaboshizai Mutenka* brand were up 14% year on year. New imported wine products *Dark Horse* and *Santa Premium* were introduced to the mid-high value products, which performed well.

As a result of the above, revenue (excluding excise taxes) for the Alcoholic Beverages Segment were 722.5 billion yen, up 4.8% year on year, and revenue (including excise taxes) came to 985.3 billion yen (up 4.1% year on year) and operating income was 126.9 billion yen (down 0.5% from the previous fiscal year) and profit attributable to owners of the parent was 130.4 billion yen (up 5.7% year on year).

<Other Businesses Segment> The revenue figures for the Other Businesses Segment exclude excise taxes

For Suntory Wellness Limited, the *Sesamin* series and other products posted strong revenue, growing 8% year on year. Meanwhile, Suntory (China) Holding Co., Ltd. dissolved its joint

venture with Tsingtao Brewery Co., Ltd. in March of last year, leaving the Other Businesses Segment with revenue of 208.6 billion yen, down 1.9% year on year, and operating income of 25.9 billion yen, down 17.9% year on year.

Additionally, domestic and overseas revenues were as follows.

Revenue (excluding excise taxes)

Domestic: 1.275 trillion yen (up 1.0% year on year)

Overseas: 882.5 billion yen (up 5.2% year on year)

Overseas ratio: 40.9%

Revenue (including excise taxes)

Domestic: 1.467 trillion yen (up 0.9% year on year)

Overseas: 953.5 billion yen (up 5.4% year on year)

Overseas ratio: 39.4%

Since our very inception, Suntory has aggressively pursued interests while also putting forth initiatives to contribute to culture and society and implement environmental activities based on Suntory's founding spirit of "Sharing the Profit with Society." Moreover, under the corporate tagline of "SUNTORY Follow Your Nature," we have been engaged in various activities aimed at coexistence with society and nature.

Our reconstruction support activities for the Kumamoto earthquakes have reached a cumulative scale of 400 million yen, and our focus is on "Activities entailing contributions to the sustainability of groundwater in the Kumamoto Region" and "Support activities for the bodies and minds of residents through culture, the arts and sports." Our reconstruction support activities for the Great East Japan Earthquake are continuing, with donations reaching a total of 10.8 billion yen.

As for our environmental activities, the Suntory Group's Sustainable Water Philosophy was formulated in January 2017 as the basic principles when conducting activities involving water. In Japan, we continue to work on the Suntory Natural Water Sanctuaries, by which we have cultivated water resources covering approximately 9,000 hectares, we are also engaged in activities based on local conditions overseas, including an education program on water for the next generation in Vietnam and water source conservation activities in the United States and France. Additionally, based on our original 2R+B strategy<sup>5</sup> for plastic bottle development, we are working on lighter packaging materials and are continuing recycling activities through a bottle to bottle mechanical recycling system<sup>6</sup>, which is the first of its kind to be developed in the domestic beverage industry. Moreover, we are promoting environmental management, including becoming the first domestic beverage manufacturer to obtain FSC-COC Certification, an international forest management certification, in May 2017.

\*5 2R+B is short for "Reduce/Recycle + Bio." It is our approach of substituting recyclable materials for petroleum-based materials whenever possible while striving for efficient use of resources through reduced plastic consumption and the use of recycled materials.

\*6 Mechanical recycling is a method where reusable plastic obtained from material recycling (making used products the raw material for new products by crushing, cleaning or other process) is further processed under high temperatures and decompression for a certain period of time to remove impurities in the recycled material. Since its introduction in 2011, the Company has been recycling plastic bottles and making them into new plastic bottles.

## 2. Forecast for the Next Period

The Suntory Group will continue to respond swiftly to changes in the market environment and take on the challenge of creating new values, while aiming to maintain a harmonious coexistence between society and nature, in addition to which it will strive to grow globally as a multi-faceted food and beverage company group, and to improve profitability.

### <Non-Alcoholic Beverages and Food Segment>

Based on the newly drawn-up mid- to long-term strategy and medium-term management plan, Suntory Beverage & Food Limited will take steps to further reinforce previous strategies, improve profitability further and to build a platform.

In Japan, by strengthening key brands and categories, as well as proposing the creation of new value to customers in order to capture their needs, we aim to grow at rates higher than that of the market. In Europe, we will move forward to strengthen the brand portfolio in the main countries by bolstering low-sugar products and strengthening sales activities to increase contact points with consumers. In Asia, in addition to focusing on flagship brands, we will begin business in new markets and, with an eye on further growth, launch businesses in new markets. In Oceania, as well as reinforcing flagship brands, we will strive to broaden the portfolio and to expand sales routes. In the Americas, we plan a recovery built around carbonated beverages, but we will also focus on the non-carbonated category. We will also strengthen our initiatives for developing new businesses.

### <Alcoholic Beverages Segment>

As the world's third largest premium spirits company, Beam Suntory Inc. aims to outperform its global market by building its premium brands, leveraging strong routes to market, and further fueling its growth through organizational efficiency and effectiveness. Specifically in Japan, the company plans to enhance marketing activities for whisky brands including *Jim Beam*, *Torlys* (Classic) and *Maker's Mark*, as well as RTD brands such as *-196°C Strong Zero* and canned highball products.

Suntory Beer Limited will continue to focus on the three main brands of *The Premium Malt's*, *Kinmugi*, and *All Free*. In particular, *The Premium Malt's* will refer to the unique foam of the brand as “CREAMY FOAM,” and develop major promotions for both household and commercial use. The flavor, packaging and communications strategy used for *All Free* will undergo a major redesign, with the aim of securing growth. Also, in the expanding new high-alcohol genre category, we will nurture the *Itadaki* brand, and use it to energize the market.

Suntory Wine International Limited will leverage its strengths as a wine maker with its own vineyards in Japan and Europe and also a distributor that handles high-quality wines from around the world in an aim for further growth. Suntory Wine International Limited will introduce new domestic and imported wines and conduct activities aimed at communicating their value, thereby creating new demand.

<Other Businesses Segment>

Suntory Wellness Limited will continue to focus on the *Sesamin* series, the skin care product *F.A.G.E.*, and other products. Dynac Corporation and Pronto Corporation are also working proactively on developing their businesses.

Based on these activities, we expect the following revenue by segment: Non-Alcoholic Beverages and Food 1.286 trillion yen (up 4.9% year on year); Alcoholic Beverages (excluding excise taxes) 740 billion yen (up 2.4% year on year); Alcoholic Beverages (including excise taxes) 1.005 trillion yen (up 2.0% year on year); and Other Businesses Segment 209 billion yen (up 0.2% year on year).

Putting together all the above, revenue (excluding excise taxes) for the fiscal year ending December 31, 2018 is forecast to be 2.235 trillion yen (up 3.6% year on year); revenue (including excise taxes) 2.500 trillion yen (up 3.3% year on year); operating income 264 billion yen (up 4.1% year on year); and profit attributable to owners of the parent 126.0 billion yen (down 40.4% year on year).



## Consolidated statement of financial position

(Millions of yen)

	IFRS transition date (January 1, 2016)	December 31, 2016	December 31, 2017
<b>Assets</b>			
Current assets:			
Cash and cash equivalents	255,589	352,519	359,518
Trade and other receivables	375,093	379,286	396,645
Other financial assets	6,068	3,269	19,687
Inventories	414,755	383,861	408,822
Other current assets	50,732	72,940	66,914
Sub-total	1,102,240	1,191,877	1,251,588
Assets held for sale	65,244	—	23,152
Total current assets	1,167,484	1,191,877	1,274,741
Non-current assets:			
Property, plant and equipment	674,144	654,527	660,481
Goodwill	928,550	885,441	882,123
Intangible assets	1,588,174	1,461,504	1,469,110
Investments accounted for using the equity method	39,492	37,673	41,544
Other financial assets	114,245	110,708	135,882
Deferred tax assets	48,202	92,008	75,394
Other non-current assets	52,039	38,637	40,297
Total non-current assets	3,444,850	3,280,502	3,304,835
Total assets	4,612,335	4,472,380	4,579,576

(Millions of yen)

	IFRS transition date (January 1, 2016)	December 31, 2016	December 31, 2017
<b>Liabilities and equity</b>			
<b>Liabilities</b>			
<b>Current liabilities:</b>			
Bonds and borrowings	210,187	307,702	291,501
Trade and other payables	491,101	493,850	515,323
Other financial liabilities	78,584	90,187	103,578
Accrued income taxes	34,206	22,472	29,478
Provisions	11,358	7,674	12,383
Other current liabilities	92,263	85,349	84,614
Sub-total	917,701	1,007,237	1,036,880
Liabilities directly associated with assets held for sale	40,943	—	6,215
Total current liabilities	958,644	1,007,237	1,043,096
<b>Non-current liabilities:</b>			
Bonds and borrowings	1,849,696	1,636,125	1,539,763
Other financial liabilities	106,890	85,441	72,908
Post-employment benefit liabilities	39,089	41,109	41,478
Provisions	8,811	8,076	7,979
Deferred tax liabilities	424,669	405,504	307,115
Other non-current liabilities	16,347	16,750	21,520
Total non-current liabilities	2,445,505	2,193,008	1,990,767
Total liabilities	3,404,150	3,200,245	3,033,863
<b>Equity</b>			
Share capital	70,000	70,000	70,000
Share premium	138,081	133,251	133,885
Retained earnings	674,435	851,912	1,064,603
Treasury shares	(2,285)	(1,598)	(1,006)
Other components of equity	9,529	(86,586)	(62,735)
Total equity attributable to owners of the parent	889,760	966,979	1,204,747
Non-controlling interests	318,423	305,155	340,965
Total equity	1,208,184	1,272,134	1,545,713
Total liabilities and equity	4,612,335	4,472,380	4,579,576

**Consolidated statement of profit or loss**

(Millions of yen)

	2016	2017
Revenue (including excise taxes)	2,358,404	2,420,286
Less: excise taxes	(256,806)	(262,754)
Revenue (excluding excise taxes)	2,101,598	2,157,531
Cost of sales	(1,072,782)	(1,095,535)
Gross profit	1,028,815	1,061,995
Selling, general and administrative expenses	(785,043)	(809,653)
Gain on investments accounted for using the equity method	8,328	9,688
Other income	28,688	10,334
Other expenses	(27,900)	(18,725)
Operating income	252,888	253,639
Finance income	2,203	3,084
Finance costs	(31,254)	(29,833)
Profit before income taxes	223,837	226,890
Income tax expenses	(1,024)	24,956
Profit for the year	222,812	251,846
Attributable to:		
Owners of the parent	185,682	211,448
Non-controlling interests	37,130	40,398
Profit for the year	222,812	251,846
Earnings per share		
Basic (yen per share)	271.40	308.63

## Reconciliation from operating income to adjusted operating income

(Millions of yen)

	2016	2017
Operating income	252,888	253,639
Restructuring charges	6,682	6,647
Losses from natural disaster	3,917	876
Impairment losses and reversal of impairment losses	839	616
Gain on disposals of shares in subsidiaries and associates and gain on business transfers	(13,238)	(1,876)
Other	(3,522)	(4,458)
Total	(5,322)	1,806
Adjusted operating income	247,565	255,445

## Consolidated statement of cash flows

	2016	2017
<b>Cash flows from operating activities</b>		
Profit before income taxes	223,837	226,890
Depreciation and amortization	96,336	97,262
Impairment losses (reversal of impairment losses)	839	616
Interest and dividend income	(1,964)	(2,790)
Interest expense	27,705	25,800
Gain on investments accounted for using the equity method	(8,328)	(9,688)
Decrease (increase) in inventories	5,230	(15,623)
Increase in trade and other receivables	(20,667)	(19,451)
Increase in trade and other payables	22,031	15,002
Other	(1,558)	3,573
Subtotal	343,461	321,593
Interest and dividends received	6,700	7,477
Interest paid	(28,064)	(27,358)
Income taxes paid	(69,490)	(40,008)
Net cash inflow from operating activities	252,606	261,703
<b>Cash flows from investing activities</b>		
Purchases of property, plant and equipment and intangible assets	(100,720)	(99,379)
Proceeds from sales of property, plant and equipment and intangible assets	8,312	8,115
Payments for acquisition of investment securities	(1,251)	(3,370)
Proceeds from sales of investment securities	466	19,504
Payments for acquisition of shares in subsidiaries involving changes in the scope of consolidation	—	(8,587)
Proceeds from disposals of shares in subsidiaries involving changes in the scope of consolidation	10,586	—
Payments for business transfers	(8,088)	—
Proceeds from business transfers	25,148	—
Other	3,173	3,667
Net cash outflow from investing activities	(62,371)	(80,049)
<b>Cash flows from financing activities</b>		
Increase in short-term borrowings	2,214	8,546
Proceeds from long-term borrowings	175,018	132,125
Repayment of long-term borrowings	(231,912)	(280,465)
Payments of finance lease liabilities	(9,441)	(10,458)
Proceeds from disposals of treasury shares	1,155	1,125
Dividends paid to owners of the parent	(8,205)	(8,902)
Dividends paid to non-controlling interests	(12,538)	(15,160)
Payments for acquisitions of shares in subsidiaries that do not involve loss of control	(3,808)	(171)
Other	(204)	1,317
Net cash outflow from financing activities	(87,721)	(172,042)
<b>Effects of exchange rate changes on cash and cash equivalents</b>	(5,583)	827
<b>Net increase in cash and cash equivalents</b>	102,513	9,611
<b>Cash and cash equivalents at the beginning of the year</b>	255,589	352,519
<b>Cash and cash equivalents included in assets held for sale</b>	—	(3,439)
<b>Cash and cash equivalents at the end of the year</b>	352,519	359,518

## Segment Information

### (1) Overview of reportable segments

The reportable segments are components of the Group for which separate financial information is available and regularly reviewed by management to make decisions about the allocation of resources and to assess segment performance.

The Group applies a holding company structure and operating companies have been established by product or service. The management of each operating company focuses on the type of products and services delivered or provided when establishing its own strategy for domestic and international operations. Therefore, the Group determined and identified “Beverage and Foods” and “Alcoholic Beverages” as a reportable segment based on the types of products and services delivered or provided. The classification of the Group’s primary products and services have been defined as below.

Reportable segment	Primary products
Beverage and Food	Non-alcoholic beverages, healthy drinks, processed foods, other products
Alcoholic Beverage	Spirits, beer, wine and other alcoholic beverages
Others	Healthy foods, ice cream, restaurants, flowers, operations in China and other operations

### (2) Profit or loss for each reportable segment

Profit or loss for each reportable segment of the Group was as follows.

Year ended December 31, 2016

(Millions of yen)

	Reportable segment			Segment total	Reconciliations *2	Consolidated *1
	Beverage and Food	Alcoholic Beverage	Others			
Revenue (including excise taxes)	1,199,690	946,158	212,555	2,358,404	—	2,358,404
Revenue (excluding excise taxes)						
External customers	1,199,690	689,351	212,555	2,101,598	—	2,101,598
Intersegment	9,458	4,443	9,562	23,464	(23,464)	—
Total revenue	1,209,149	693,795	222,118	2,125,063	(23,464)	2,101,598
Segment profit (loss)	131,591	127,534	31,554	290,680	(37,791)	252,888

(Note) \*1. Segment profit agrees with operating income presented in the consolidated statement of profit or loss.

\*2. “Reconciliations” to segment profit or loss represent overhead costs incurred by the parent to manage the Group’s operations and are not allocated to the reportable segments.

Year ended December 31, 2017

(Millions of yen)

	Reportable segment			Segment total	Reconciliations *2	Consolidated *1
	Beverage and Food	Alcoholic Beverage	Others			
Revenue (including excise taxes)	1,226,436	985,288	208,561	2,420,286	—	2,420,286
Revenue (excluding excise taxes)						
External customers	1,226,436	722,533	208,561	2,157,531	—	2,157,531
Intersegment	7,571	4,233	11,561	23,366	(23,366)	—
Total revenue	1,234,008	726,767	220,122	2,180,898	(23,366)	2,157,531
Segment profit (loss)	138,771	126,927	25,892	291,591	(37,951)	253,639

(Note) \*1. Segment profit agrees with operating income presented in the consolidated statement of profit or loss.

\*2. “Reconciliations” to segment profit or loss represent overhead costs incurred by the parent to manage the Group's operations and are not allocated to the reportable segments.

### (3) Information about geographical areas

Geographical areas other than Japan are comprised of the following countries:

Americas: United States of America and others

Europe: France, UK, Spain, and others

Asia and Oceania: Vietnam, Thailand, Australia and others

#### 1. Revenue (including excise taxes) from external customers was as follows:

(Millions of yen)

	Japan	Americas	Europe	Asia and Oceania	Total
2016	1,453,873	329,477	292,523	282,530	2,358,404
2017	1,466,814	348,682	310,796	293,991	2,420,286

(Note) Revenue (including excise taxes) is allocated into countries or areas based on the customers' locations for the analysis above.

#### 2. Revenue (excluding excise) taxes from external customers was as follows:

(Millions of yen)

	Japan	Americas	Europe	Asia and Oceania	Total
2016	1,262,764	277,276	284,955	276,601	2,101,598
2017	1,274,985	293,001	303,010	286,534	2,157,531

(Note) Revenue (excluding excise taxes) is allocated into countries or areas based on the customers' locations for the analysis above.