

# Suntory Holdings Limited

## Summary of FY2025-H1 Earnings

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Thank you for your continued support to the Suntory Group.

I will now go over the consolidated results for the first half of fiscal year 2025.

### **① Overview of Results**

As for Suntory Group's revenue,

Revenue including liquor tax was 1,617.6 billion yen, down 1.9% year-on-year.

Revenue excluding liquor tax was 1,456.3 billion yen, down 2.2% year-on-year.

Operating income was 129.6 billion yen, down 30.6% year-on-year.

The adjusted operating income, which represents profit from the business, and is calculated by excluding non-recurring items from operating income, was 141.7 billion yen, down 14.5% year-on-year.

Profit attributable to owners of the company was 59.6 billion yen, down 35.7% year-on-year.

Revenue declined year-on-year, due to the impact of deteriorating market conditions in major overseas markets. Operating income and profit attributable to owners of the company declined year-on-year, due to the impact of the sale of affiliate companies and active marketing investments.

### **② Business Trends**

I will now go over each of our 3 business segments.

#### **〈Beverages and Foods Segment〉**

Revenue was 802.3 billion yen, down 1.4% year-on-year.

Operating income was 83.9 billion yen, down 9.0% year-on-year.

Details were announced by Suntory Beverage & Food Ltd. yesterday.

#### **〈Alcoholic Beverages Segment〉**

Revenue including liquor tax was 652.5 billion yen, down 1.8% year-on-year.

Revenue excluding liquor tax was 491.6 billion yen, down 2.4% year-on-year.

Operating income was 71.6 billion yen, down 32.9% year-on-year.

In Japan, all businesses - spirits, beer, and wine - recorded higher revenue than the previous year and performed steadily.

However, due to factors such as the decline in demand overseas, the alcoholic beverages segment as a whole saw a decrease in both revenue and income.

Let me now update you on each business.

In the spirits business, revenue was below that of last year, both including and excluding liquor tax. In terms of regions, sales remained robust in Japan, China and India, while we were affected in the United States and Europe by the slowdown in consumption due to the economic downturn.

In the whisky category, the *Kakubin* brand in Japan recorded a year-on-year increase in sales volume.

*Kakubin* was awarded Gold medal for the second consecutive year in the Japanese Whisky category at the International Spirits Challenge (ISC) 2025, a global spirits competition. Starting in July, actor Yu Aoi has been appointed as the new face of our marketing activities.

In the gin category, the Japanese Craft Gin *ROKU* brand was well received, achieving a double-digit growth year-on-year in sales volume in Japan. We also made capital investments at the Suntory Osaka Plant to expand production capacity and further improve product quality.

As for the Ready-to-Drink(RTD) category, the *-196 Sugar-free* series saw a double-digit growth year-on-year in sales volume in Japan. We also newly launched *THE PEEL (Lemon)*, targeting consumers who enjoy both beer and RTDs, as part of our efforts to create new demand.

Overseas, we focused on attracting new customers in the United States, which is the largest RTD market by expanding the distribution of *-196* nationwide and launching new flavors, and introducing canned products for the *On the Rocks* brand. In Australia, we began shipping RTDs in July at the Swanbank Beverage Facility, which was built through a partnership between our alcoholic beverages and soft drinks businesses.

Among brands, Japanese whiskies *Yamazaki*, *Hibiki*, and *Toki*, the Japanese Craft Gin *ROKU*, RTDs *-196* and *On the Rocks*, and whisky for the Indian market *Oaksmith* all outperformed the previous year.

Next is the beer business.

Sales volume in Japan was on par with the same period last year.

Driven by the liquor tax revision, the beer category expanded, growing 3% year-on-year.

The *Suntory Draft Beer* brand saw a 24% year-on-year growth in sales volume, supported by strong support for its flavor from consumers, as well as the expansion of contact with consumers in the on-premise channel since last year. The *Perfect Suntory Beer* brand achieved a 19% year-on-year growth in sales volume, thanks to the improved drinkability following the renewal, and the positive reception of the new packaging. The *Kin-Mugi* brand outperformed market trends as we strengthened initiatives to promote pairing with seasonal ingredients and dishes.

Moreover, we newly established the Non-Alcoholic Department in Japan in January, integrating our non-alcoholic marketing. We positioned non-alcoholic beverages as “alcoholic beverages with 0.00% alcoholic content”. The *All-Free Clear*, a sour-tasting product launched in April, has been well received for its refreshing flavor.

**〈Others Segment〉**

Revenue including liquor tax was 162.8 billion yen, down 5.0% year-on-year.

Revenue excluding liquor tax was 162.4 billion yen, down 5.0% year-on-year.

Operating income was 11.3 billion yen, down 48.8% year-on-year.

The decline in operating income is due to the booking of a loss on the sale of an affiliated company.

**③ Outlook for 2025**

Lastly, with regard to our full-year earnings forecast for 2025, there are no changes from the plan announced this February.

While the global economy remains uncertain and highly unpredictable, and the business environment surrounding companies continues to be challenging, the entire Suntory Group will continue to work as one to create new value and strive for sustainable growth.

That concludes my presentation.

We look forward to your continued support.

Thank you.