

**SUMMARY OF CONSOLIDATED FINANCIAL STATEMENTS AS OF
DECEMBER 31, 2022 [IFRS] (English Translation, UNAUDITED)**

Company Name: Suntory Holdings Limited
 (URL: <https://www.suntory.com/>)
 Representative: Takeshi Niinami, Representative Director, President & Chief Executive Officer
 Contact: Hiroshi Kato, Head of Public Relations, Executive Officer
 Public Relations Office: Tel:+81(0)3 5579-1150
 Tel:+81(0)6 6346-0835

(Fractions of millions have been truncated)

**1. Consolidated operating results and financial positions for the fiscal year
(January 1, 2022 - December 31, 2022)**

(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 Company	
	¥million	%	¥million	%	¥million	%	¥million	%	¥million	%	¥million	%
December 31, 2022	2,970,138	16.1	2,658,781	16.3	276,468	11.7	261,818	10.3	188,533	21.3	136,211	19.5
December 31, 2021	2,559,223	8.1	2,285,676	8.4	247,479	14.0	237,447	18.1	155,398	19.8	113,965	13.5

Reference: Adjusted operating income for the fiscal year ending December 31, 2022 270,587¥million 7.4%
 Adjusted operating income for the fiscal year ending December 31, 2021 251,880¥million 15.5%
 Adjusted operating income was calculated as operating income excluding non-recurring items.

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Profit ratio to equity attributable to owners of the Company	Profit before income taxes ratio to total assets	Operating income ratio to revenue (excluding excise taxes)
	¥	¥	%	%	%
December 31, 2022	198 .63	—	7.1	5.0	10.4
December 31, 2021	166 .19	—	7.3	5.0	10.8

(2) Financial positions

Fiscal year ended	Total assets	Total equity	Equity attributable to owners of the Company	Equity attributable to owners of the Company ratio	Equity per share attributable to owners of the Company
	¥million	¥million	¥million	%	¥
December 31, 2022	5,480,390	2,622,832	2,131,561	38.9	3,108.34
December 31, 2021	4,934,010	2,147,392	1,710,005	34.7	2,493.61

(3) Cash flows

Fiscal year ended	Operating activities	Investing activities	Financing activities	Cash and cash equivalents at the end of the year
	¥million	¥million	¥million	¥million
December 31, 2022	244,436	(120,952)	(131,755)	301,938
December 31, 2021	280,779	(152,519)	(178,385)	297,717

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 Company
	Yen	Millions of yen	%	%
December 31, 2022	13 .00	8,914	6.5	0.5
December 31, 2021	13 .00	8,914	7.8	0.6

3. Consolidated earnings forecast for the fiscal year ending December 31, 2023

(January 1, 2023 - December 31, 2023)

Fiscal year ended	Revenue (including excise taxes)		Revenue (excluding excise taxes)		Operating income		Profit before income taxes		Profit attributable to owners of the Company		Basic earnings per share
	¥million	%	¥million	%	¥million	%	¥million	%	¥million	%	¥
December 31, 2023	3,120,000	5.0	2,810,000	5.7	280,000	1.3	267,000	2.0	140,000	2.8	204.15

Reference: Adjusted operating income for the fiscal year ending December 31, 2023 280,000¥million 3.5%

**SUMMARY OF NON-CONSOLIDATED FINANCIAL STATEMENTS AS OF
DECEMBER 31, 2022 (English Translation, UNAUDITED)**

(1) Operating results

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

Fiscal year ended	Operating revenue		Operating income		Ordinary income	
	¥million	%	¥million	%	¥million	%
December 31, 2022	122,448	12.9	52,382	△13.5	55,198	△18.1
December 31, 2021	108,473	△18.6	60,579	△30.3	67,395	△23.6

Fiscal year ended	Net income		Basic net earnings per share	
	¥million	%	¥	
December 31, 2022	48,224	△5.9	70 .32	
December 31, 2021	51,247	△39.0	74 .73	

(2) Financial positions

As of	Total assets	Net assets	Ratio of equity to total assets	Total equity per share
	¥million	¥million	%	¥
December 31, 2022	2,354,477	991,479	42.1	1,445.82
December 31, 2021	2,278,693	948,817	41.6	1,383.61

Operating Results

1. Overview of the Twelve-Month Period Ended December 31, 2022

The Suntory Group has actively expanded business in each of three segments, “Beverages and Foods,” “Alcoholic Beverages,” and “Others,” both domestically and abroad. In the fiscal year under review, revenue including excise taxes was 2.9701 trillion yen (up 16.1% year on year), revenue excluding excise taxes was 2.6588 trillion yen (up 16.3% year on year), operating income was 276.5 billion yen (up 11.7% year on year), and profit attributable to owners of the Company was 136.2 billion yen (up 19.5% year on year). This marked an increase in both revenue and operating income, which reached record highs.

<Beverages and Foods 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 based on the vision to “always start from consumers, pursue to create new taste, well-being and joy, and aim to be the most locally beloved company,” as well as on improving product quality. The Company also took steps to promote structural reforms and enhance profitability in each area.

In Japan, the Company engaged in strengthening core brands, mainly in the categories of water, coffee, and sugar-free tea, and greatly exceeded the same period of the previous year as a result of new product launches and marketing activities. It also achieved record-high sales volume. In terms of specific brands, Suntory Tennensui, Iyemon, and GREEN DAKARA achieved record-high sales. Sales volume of the BOSS brand as a whole matched the level of the previous year. To mark the 30th anniversary of the BOSS brand, unique marketing activities were carried out to reflect its position as the “coffee of the working people.” Looking at the sales volumes concerning foods for specified health uses (FOSHU) and foods with function claims (FFC), sales of Iyemon Tokucha (FOSHU), which was updated in April, remained strong. Iyemon Koi Aji (FFC) and Suntory Oolong Tea OTTP (FFC) also contributed to the increased sales volume.

In the Asia-Pacific region, the Company continued activities concentrated on core brands in the soft drink business and the health and wellness products business. Particularly in Vietnam, the sales volumes of major brands, including the mainstay energy drink *Sting* and the tea drink *TEA+*, grew significantly, thereby providing a substantial boost to the business results. In Thailand, *Pepsi* sold well. In the health and wellness products business, continued improvement was made concerning marketing activities such as a renewal for the mainstay product *BRAND'S Essence of Chicken*. In Oceania, marketing

activities were enhanced for energy drink *V*, a flagship brand, and year-on-year sales volume growth continued in New Zealand and Australia.

Meanwhile in Europe, sales volumes of core brands *Oasis*, *Schweppes*, and *Orangina* significantly exceeded previous-year levels in France. In the UK, the mainstay brand *Lucozade* performed well. In Spain, the flagship *Schweppes* brand recorded a significant year-on-year increase in sales volume.

In the Americas, sales volume remained strong thanks to activities to support the main carbonated brands and the growing non-carbonated beverage category.

As a result of the above, revenue for the Beverages and Foods Segment increased 14.3% year on year to 1.4449 trillion yen, while operating income rose by 15.8% to 162.1 billion yen.

<Alcoholic Beverages Segment>

In July, a new liquor company Suntory Sprints Limited was established in order to better capture changes in consumer consumption of alcoholic beverages, and to promote integrated management of the entire alcoholic beverages business in Japan. It enabled the entire alcoholic beverage business, from production to sales, to quickly respond to the rapid changes in the Japanese market, particularly as it relates to providing consumers with new product innovations.

Comparable revenue for the spirits business increased year on year at a low double-digit rate both including and excluding excise taxes. For overseas markets, Beam Suntory's premiumization strategy drove net sales growth, with premium brands now representing more than half of Full Bottle Spirits sales for the first time ever. Growing consumer preference for premium brands helped drive strong sales growth for brands such as *Maker's Mark* and *Basil Hayden* bourbon, *Toki* Japanese whisky, *Laphroaig* Scotch whisky, Japanese craft gin *ROKU*, and *Hornitos* tequila. The company continues to achieve global RTD growth as it expands offerings tailored to local taste preferences with the successful launch of *-196* in Australia and relaunch of *On The Rocks* in the US.

In Japan, the spirits business's revenue including excise taxes rose by 9% year on year, revenue excluding excise taxes rose by 11% year-on-year. In the whiskies category, major brands *Kakubin* and *Ao*, along with canned highball product *Kaku Highball Can*, performed well. RTD took on the challenge of creating new demand by launching *CRAFT -196°C* and *BAR Pomum*. As a result, sales volume exceeded the market average, growing 1% year on year. *SUI* Suntory gin presented the new value of *SUI* Gin Soda that pairs well with

everyday meals to address the challenge of creating a new market as a “third type of soda mix.” *SUI Gin Soda Can*, which was launched nationwide in March, achieved sales of 3.95 million cases*1, about 1.6 times the annual sales plan figure even after it was revised upward.

*1. A case contains 24 cans of 250 ml

Sales volume of the beer business*2 increased by 4% year on year driven by the beer category, and beer excluding alcohol-free beer-type beverages grew by 5% year on year.

As a result of activities aimed at positioning it as “a little luxury in everyday life,” sales of beer brand *The Premium Malt’s* increased 19% year on year. *Perfect Suntory Beer* has been on sale for two years, and has become popular for its authentic beer taste and good compatibility with meals. As a result, sales increased 54% compared to the previous year.

The *Kin-Mugi* brand is aimed at creating a new genre of beer that is most suited to drinking regularly at home, and the Company conducted activities such as promotions on the theme of having an evening drink, reinforcing its ability to propose products to enjoy with seasonal ingredients and dishes.

With the desire to create a new kind of beer-drinking culture, *Beerball* is a special beer made for mixing with carbonated water. It is a new type of beer with unprecedented value that allows consumers to mix it to their desired strength, and has been well received especially among adults under 50.

*2. Beer, including alcohol-free beer-type beverages, on a volume basis

The wine business’s revenue including excise taxes rose by 16% year on year, and revenue excluding excise taxes rose by 18% year on year. Among Japanese wines, the sales volume of the mainstay *Sankaboshizai Mutenka no Oishii Wine* increased year on year. Launched in September, a new Japanese wine brand, *SUNTORY FROM FARM*, has caught on due to its flavor profile ensured by strict quality control. In the imported wines lineup, the sales volume for Italian wine *Tavernello Organico* increased significantly, thanks to stronger marketing of its organic production method.

In the non-alcoholic beverage category, the Company engaged in realization of compelling flavor, expansion of the lineup and proposals communicating appeal with the aim of creating a culture that can be enjoyed by people who drink alcohol and those who do not, which can be achieved with an alcohol content of 0.00%.

Expansion of the lineup involved the *All Free* brand of beer-type beverages, and the launch of *Non-Aru-Banshaku Lemon Sour Non-Alcoholic* offering the flavor of an authentic lemon sour without alcohol. In March, *Non-Alcoholic Wine Holiday* was also launched, providing flavor like real wine. In December, a limited edition *Non-Aru-Banshaku Highball*

Non-Alcoholic was released. Furthermore, the Company highlighted the appeal of non-alcoholic beverages through activities such as the Non-aru Sakaba held for a limited time in April, followed by the Non-aru Year-end Sakaba in Shimbashi in December. These were events designed to be enjoyed by both people who drink alcohol and those who do not.

As a result of the above, revenue including excise taxes for the Alcoholic Beverages Segment was 1.2459 trillion yen, up 17.8% year on year, while revenue excluding excise taxes was 935.6 billion yen, up 19.2% year on year, and operating income was 140.6 billion yen, up 9.9% year on year.

<Others Segment>

For the health and wellness products business, products such as *Locomore* and *Omega A.D.E.* posted strong revenue, growing by 6% year on year. Revenue for the restaurant business increased significantly.

Revenue including excise taxes for the Others Segment was 279.4 billion yen, up 17.5% year on year, revenue excluding excise taxes was 278.3 billion yen, up 17.6% year on year, and operating income was 27.0 billion yen, up 5.9% year on year.

Additionally, the breakdown between domestic and overseas revenues was as follows.

Revenue (including excise taxes)

Japan: 1.5028 trillion yen (up 7.3% year on year)

Overseas: 1.4674 trillion yen (up 26.6% year on year)

Overseas ratio: 49.4%

Revenue (excluding excise taxes)

Japan: 1.2995 trillion yen (up 7.4% year on year)

Overseas: 1.3593 trillion yen (up 26.4% year on year)

Overseas ratio: 51.1%

Ever since its founding, the Suntory Group has aggressively expanded its business while also promoting various activities aimed at coexistence between society and the natural environment based on the founding spirits of giving back to society.

<Water>

Water is essential for the Suntory Group's craftsmanship. Based on the Group's Sustainable Water Philosophy, Suntory Natural Water Sanctuaries have been created at 21 locations in 15 prefectures nationwide, covering a total area of approximately 12,000 hectares^{*3}. These sanctuaries are cultivating water resources equivalent to more than double the amount of groundwater pumped up in the Group's plants across Japan. The Company also conducts next-generation environmental education program known as Mizuiku in Japan, Vietnam, Thailand, Indonesia, France, China, and Spain, and also engages in water conservation activities in countries where it operates. Suntory is the only company to have plants certified in Japan by the Alliance for Water Stewardship (AWS)^{*4}—a leading authority on international water standards that promotes global water sustainability—and it is accelerating efforts as an AWS member company. The Company revised its Environmental Targets toward 2030 in January, setting new targets to reduce the water intensity of production at our owned plants^{*5} by 35%^{*6} globally, and replenish more than 100% of water used in at least 50% of our owned plants through water resource cultivation.

<Greenhouse Gases (GHG)>

Suntory aims to achieve net zero GHG emissions across the whole value chain by 2050. To achieve this, reducing GHG emissions from our direct operations by 50%^{*7} and reducing GHG emissions across our entire value chain by 30%^{*7} were set in the Environmental Targets toward 2030. In 2022, we switched the power purchased in the Suntory Group's production and research sites in Japan, the Americas and Europe related to the beverages and foods and the alcoholic beverages businesses to 100% renewable energy. The Group also signed a basic agreement with Yamanashi Prefecture to promote initiatives that can help realize a sustainable society that thrives in harmony with nature. The initiatives Suntory will promote with the prefecture and others include the establishment of a Yamanashi Model P2G System by 2025, which will produce green hydrogen. Suntory will continue to reduce carbon emissions through active introduction of additional energy-saving technologies and the use of renewable energy in its facilities, both in its operations and throughout the entire value chain.

<Packaging>

Suntory regards plastics as an important issue. The Group aims to switch all the PET bottles used globally in its products to be made of 100% recycled or plant-based material by 2030, achieving zero use of virgin petroleum-based materials. In Japan, we have implemented the new "Bottles are resources! Switch to sustainable bottles" logo mark in all

PET bottle products^{*8} in Japan since March to communicate that PET bottles can be recycled numerous times. In Vietnam, the Group began implementing bottles made from 100% recycled PET plastic for the first time in Asia outside Japan in April. In Spain, all *Schweppes* bottles were switched to bottles made from 100% recycled PET plastic in May. In addition, the number of companies participating in the joint venture called R Plus Japan Ltd., which is engaged in the recycling of used plastics, has grown to 40 as of the present time. Suntory will continue its efforts to reduce its environmental impact such as through the promotion of bottle-to-bottle horizontal recycling, reduction of weight in containers and packaging, and the Japanese soft drink industry's first F-to-P Direct Recycling Technology^{*9}.

*3. As of December 31, 2022. In February 2023, the Company signed a new agreement for the development of Suntory Natural Water Sanctuary Tokyo Hinohara, expanding the nationwide network to 22 locations in 15 prefectures covering approximately 12,000 hectares.

*4. Certification acquired at three plants: the Suntory Tennensui Okudaisen Buna no Mori Water Plant (2018), the Suntory Kyushu Kumamoto Plant (2019), and the Suntory Tennensui Minami Alps Hakushu Plant (2021).

*5. Suntory Group plants manufacturing products.

*6. Reduction in intensity assuming the business areas in 2015.

*7. Based on 2019 emissions.

*8. Excluding products without labels.

*9. A technology in which "flake" created by pulverizing and washing recovered PET bottles is treated at high temperature in a vacuum for a fixed period and which, after being melted and filtered, can be used to manufacture the preform directly.

The Group is engaged in a variety of initiatives based on the approach of humanism in which people are the most important foundation and capital for management. In addition to providing opportunities for growth and promoting a variety of programs for human resource development with the aim of being a company where people grow the most, we are also focusing on the promotion of health and productivity management with the view that all employees vibrantly working with a healthy body and mind are a source of the company's competitiveness.

2. Forecast for the Next Period

The Suntory Group will strive to respond swiftly to changes in the market environment to create yet unknown value and work to further enhance growth and profitability as a global "multifaceted beverages company group," while continuing to aim to coexist with society and nature.

<Beverages and Foods Segment>

Under the assumption that the external environment will continue to change dramatically, Suntory Beverage & Food Limited will continue to transform its business structure. The aim is to achieve further sales growth by accelerating core brand innovation under a highly diverse management team. Based on expectations that severe cost conditions will continue, the company aims to improve its profit structure by increasing revenue and thoroughly implementing cost reduction activities in the supply chain. In Japan, it will focus on acceleration of core brand growth, as well as structural reform in the vending machine business, and supply chain transformation. In Asia-Pacific and Europe, the company will work to further absorb cost increases through core brand innovation and meticulous cost reduction activities. In the Americas, the company will proceed to strengthen its mainstay carbonated beverage category while at the same time working to achieve further expansion in the growing non-carbonated beverage category.

<Alcoholic Beverages Segment>

In the spirits business, the company will continue to aim growing sales value faster than volume by building its premium brands as a world leader in premium spirits, and will also position its global ambitions in the RTD field as another strategic imperative. In 2023, Suntory Whisky will celebrate its 100th anniversary. To maintain this legacy of whisky growth, the company will continue to drive market expansion by improving product quality and value while creating new demand. In the area of premium whisky, in addition to nurturing its mainstay brand *Ao*, Suntory will enhance marketing of product quality and value by issuing communication directly from the distillery and by offering special gifts. To maintain a growth engine for the whisky business, the company will continue to expand highball demand both off and on premise. For RTD products, the company will aim to expand its business by further developing its core brands such as *-196°C*, *Kodawari Sakaba*, and *Horoyoi*, and by maintaining its ability to propose new value in line with consumer needs. In Spirits/Liqueurs, through the *Kodawari Sakaba*, *SUI*, *ROKU*, and other brands, the company will work to expand the number of contact points with customers and create new demand.

In the beer business, the company will work to create new drinking demand and revitalize the overall beer-type beverage market by increasing the value of each of its core brands, by firmly establishing *Beerball* in the market, as well as by delivering additional new value.

The company intends to revamp the contents and packaging of *The Premium Malt's* brand, with the aim of creating a new premium product that matches the times. The

contents and packaging of *The Premium Malt's Kaoru Ale* will also be updated, and the name is to be changed to *The Premium Malt's Japanese Ale Kaoru Ale*. This will further highlight the unique value of Japanese ale, allowing customers to better enjoy its individuality. In addition, we will launch *The Premium Malt's MASTER'S DREAM* in cans, and work to improve the overall value of the brand as a beer served by renowned establishments. With *Perfect Suntory Beer*, collaboration will be enhanced among teams for on and off-premise sales. With regards to the *Kin-Mugi* brand, the company will develop marketing activities that make use of the features of each of three core brand varieties—*Kin-Mugi*, with its updated flavor and packaging, *Kin-Mugi (Toshitsu 75% reduced*^{*10}*)*, and *Kin-Mugi The Lager*—to create a new type of beer that is most suited to drinking regularly at home. In the *All-Free* brand, focusing on two core products—*All-Free* and *KARADA-WO-OMOU All-Free*, the company will promote the benefits of this non-alcoholic beer that can be both refreshing and a positive choice for your health, and will work to further increase the number of *All-Free* fans.

*10. 75% less sugar compared to *Kin-Mugi*

In the wine business, the company will strengthen its efforts to enhance wine enthusiasm among customers and revitalize the market. In the area of Japanese wines, the company will continue to expand customer contact points using the *SUNTORY FROM FARM* wine brand. It will also continue to promote wines made mainly from the unique Japanese grape variety Koshu, as well as sustainable wine making, and communication that originates directly from Suntory wineries. In addition to the updating of four mainstay products in the *Sankaboshizai Mutenka no Oishii Wine* lineup, in March the company will launch a new unfiltered product under this brand. The non-alcoholic wine, *Non-Alcoholic Wine Holiday*, will be updated to better promote its sparkling wine taste, while the *Suntory Wine Cafe Wine Soda* will also be revamped to enable stronger marketing of wine mixed with soda. As for imported wines, the company will continue to promote the organic and sustainable wines of *Tavernello Organico*. For the *Domaines Barons de Rothschild Saga R Bordeaux* wines, the company will keep striving for the support of customers by further communicating the value of this brand. It will promote the history and tradition of this leading winery of the First Growths in the Medoc district of Bordeaux, and the wine's smooth taste that suits the Japanese palate.

<Others Segment>

In the health and wellness business, the company will continue to focus on products such as *Locomore* and *Omega A.D.E*. In the restaurant business, it will provide products and services that capture customer needs, while also seeking to improve profitability.

As a result of these activities, the forecast for revenue by segment is 1.5250 trillion yen in the Beverages and Foods Segment (up 5.5% year on year), 1.3 trillion yen including excise taxes (up 4.3% year on year) and 990 billion yen excluding excise taxes (up 5.8% year on year) in the Alcoholic Beverages Segment, and 295 billion yen including taxes (up 5.6% year on year) and 295 billion yen excluding excise taxes (up 6.0% year on year) in the Others Segment.

In the fiscal year ending December 31, 2023, the forecast for revenue including excise taxes is 3.12 trillion yen (up 5.0% year on year), revenue excluding excise taxes is 2.81 trillion yen (up 5.7% year on year), operating income is 280 billion yen (up 1.3% year on year), and profit attributable to owners of the company is 140 billion yen (up 2.8% year on year).

Classification of Shareholders

As of December 31, 2022

	Shares (Number of one unit of shares: -)								Shares less than One Unit (share)
	Japanese government and local government	Financial institutions	Securities Companies	Other Corporation	Foreign investors		Individuals and Others	Total	
					Other than Individuals	Individuals			
Number of Shareholders	—	4	—	2	—	—	76	82	—
Number of Shares Held (Unit)	—	27,485,448	—	617,408,764	—	—	42,241,984	687,136,196	—
Percentage of Shares Held (%)	—	4.00	—	89.85	—	—	6.14	100.00	—

Note: 1,380,000 shares of treasury stock are included in "Individuals and Others"

Status of Major Shareholders

As of December 31, 2022

Name of shareholders	Address	Number of shares held (in thousands)	Percentage of common stock issued (%)
Kotobuki Realty Co., Ltd.	2-1-40 Dojimahama, Kita-ku, Osaka	613,818	89.50
Employees Share Ownership Plan of Suntory	2-1-40 Dojimahama, Kita-ku, Osaka	34,370	5.01
MUFG Bank, Ltd.	2-7-1, Marunouchi, Chiyoda-ku, Tokyo	6,871	1.00
Sumitomo Mitsui Banking Corporation	1-1-2, Marunouchi, Chiyoda-ku, Tokyo	6,871	1.00
Sumitomo Mitsui Trust Bank, Limited	1-4-1, Marunouchi, Chiyoda-ku, Tokyo	6,871	1.00
Nippon Life Insurance Company	1-6-6, Marunouchi, Chiyoda-ku, Tokyo	6,871	1.00
Suntory Foundation for Life Sciences	8-1-1, Seikadai, Seika-cho, Souraku-gun, Kyoto	3,590	0.52
Nobutada Saji	Minato-ku, Tokyo	652	0.09
Shingo Torii	Higashinada-ku, Kobe	539	0.07
Takeshi Niinami	Minato-ku, Tokyo	200	0.02
Sho Semba	Chofu-city, Tokyo	182	0.02
Nobuhiro Torii	Minato-ku, Tokyo	173	0.02
Total	—	681,012	99.30

Directors and Audit & Supervisory Board Members

As of December 31, 2022

Title and Scope of Responsibility	Name	Date of Birth	Brief History	Term of office	Number of shares held (in thousands)
Representative Director, Chairman of the Board & Chief Executive Officer	Nobutada Saji	November 25, 1945	<p>Joined Sony Corporation in April 1971.</p> <p>Joined Suntory Limited in June 1974.</p> <p>Assumed the office of Senior General Manager of Osaka branch of such company in August 1981.</p> <p>Assumed the office of Director of such company in June 1982.</p> <p>Assumed the office of Managing Director of such company in June 1984.</p> <p>Assumed the office of Senior Managing Director of such company in June 1987.</p> <p>Assumed the office of Director, Executive Vice President of such company in March 1989.</p> <p>Assumed the office of Representative Director, Executive Vice President & Chief Operating Officer of such company in March 1990.</p> <p>Assumed the office of Representative Director, President & Chief Executive Officer of such company in March 2001.</p> <p>Assumed the office of Representative Director, Chairman, President & Chief Executive Officer of such company in March 2002.</p> <p>Assumed the office of Representative Director and President of Kotobuki Realty Co., Ltd. in March 2002.</p> <p>Assumed the office of Representative Director, Chairman, President & Chief Executive Officer of Suntory Holdings Limited in February 2009.</p> <p>Has occupied the office of Representative Director, Chairman of the Board & Chief Executive Officer of Suntory Holdings Limited from October 2014 to date (incumbent).</p> <p>Has occupied the office of Representative Director and Chairman of Kotobuki Realty Co., Ltd. from March 2016 to date (incumbent).</p>	Note 4	652

Title and Scope of Responsibility	Name	Date of Birth	Brief History	Term of office	Number of shares held (in thousands)
Representative Director, Vice Chairman of the Board	Shingo Torii	January 18, 1953	<p>Joined Itochu Corporation in April 1980.</p> <p>Joined Suntory Limited in June 1983.</p> <p>Assumed the office of Senior General Manager of Production Planning Division of such company in March 1990.</p> <p>Assumed the office of Director of such company in March 1992.</p> <p>Assumed the office of Managing Director of such company in March 1999.</p> <p>Assumed the office of Representative Director and Senior Managing Director of such company in March 2001.</p> <p>Assumed the office of Representative Director, Executive Vice President & Chief Operating Officer of such company in March 2003.</p> <p>Assumed the office of Representative Director, Executive Vice President & Chief Operating Officer of Suntory Holdings Limited in February 2009.</p> <p>Assumed the office of Representative Director and Executive Vice President of Kotobuki Realty Co., Ltd. in March 2009.</p> <p>Has occupied the office of Representative Director, Vice Chairman of the Board of Suntory Holdings Limited from October 2014 to date (incumbent).</p> <p>Has occupied the office of Representative Director and Vice Chairman of Kotobuki Realty Co., Ltd. from March 2016 to date (incumbent).</p>	Note 4	539
Representative Director, President & Chief Executive Officer	Takeshi Niinami	January 30, 1959	<p>Joined Mitsubishi Corporation in April 1981.</p> <p>Assumed the office of Manager of LAWSON Project Management Unit and Food Service Business Unit, Consumer Business Div. of such company in April 2001.</p> <p>Assumed the office of President & CEO, Representative Director and Executive Officer of Lawson, Inc. in May 2002.</p> <p>Assumed the office of President & CEO, and Representative Director of such company in March 2005.</p> <p>Assumed the office of Chairman, Representative Director of such company in May 2014.</p> <p>Assumed the office of Chairman, Member of the Board of such company in May 2014.</p> <p>Assumed the office of Advisor of Suntory Holdings Limited in August 2014.</p> <p>Assumed the office of Director of Suntory Holdings Limited in September 2014.</p> <p>Has occupied the office of Representative Director, President & Chief Executive Officer of Suntory Holdings Limited from October 2014 to date (incumbent).</p>	Note 4	200

Title and Scope of Responsibility	Name	Date of Birth	Brief History	Term of office	Number of shares held (in thousands)
Representative Director, Executive Vice President & Chief Operating Officer	Nobuhiro Torii	March 10, 1966	<p>Joined The Industrial Bank of Japan (Present: Mizuho Bank, Ltd.) in July 1991.</p> <p>Joined Suntory Limited in April 1997.</p> <p>Assumed the office of Senior General Manager of Overall Sales & Marketing Division of such company in September 2005.</p> <p>Assumed the office of Director of such company in March 2007.</p> <p>Assumed the office of Executive Officer of Suntory Holdings Limited in April 2009.</p> <p>Assumed the office of Managing Executive Officer of Suntory Holdings Limited in April 2010.</p> <p>Assumed the office of Senior Managing Director of Suntory Holdings Limited in January 2011.</p> <p>Assumed the office of Representative Director, President & Chief Executive Officer of Suntory Beverage & Food Limited in January 2011.</p> <p>Assumed the office of Director of Suntory Holdings Limited in January 2013.</p> <p>Has occupied the office of Representative Director and President of Kotobuki Realty Co., Ltd. from March 2016 to date (incumbent).</p> <p>Has occupied the office of Representative Director, Executive Vice President & Chief Operating Officer of Suntory Holdings Limited from March 2016 to date (incumbent).</p> <p>Assumed the office of Director of Suntory Beverage & Food Limited in March 2016.</p> <p>Has occupied the office of Representative Director, President & Chief Executive Officer of Suntory Spirits Limited from July 2022 to date (incumbent).</p>	Note 4	173

Title and Scope of Responsibility	Name	Date of Birth	Brief History	Term of office	Number of shares held (in thousands)
Director, Executive Vice President	Shinichiro Hizuka	November 19, 1955	<p>Joined Suntory Limited in April 1978.</p> <p>Assumed the office of Executive Officer of Suntory Beer & Spirits Limited (Present: Suntory Spirits Limited) in April 2009.</p> <p>Assumed the office of Senior General Manager, Sales Development & Marketing Promotion Department 1 of such company in April 2009.</p> <p>Assumed the office of Executive Officer of Suntory Holdings Limited in January 2011.</p> <p>Assumed the office of Managing Director of Suntory Beverage & Food Limited in March 2012.</p> <p>Assumed the office of Senior Managing Director of such company in December 2012.</p> <p>Assumed the office of Senior Managing Director of Suntory Holdings Limited in March 2015.</p> <p>Assumed the office of Director of Suntory Holdings Limited in March 2018.</p> <p>Assumed the office of Senior Managing Executive Officer of Suntory Holdings Limited in March 2018.</p> <p>Has occupied the office of Director, Executive Vice President of Suntory Holdings Limited from January 2020 to date (incumbent).</p>	Note 4	151
Director, Executive Vice President	Kazutomo Aritake	October 14, 1957	<p>Joined Suntory Limited in April 1980.</p> <p>Assumed the office of Senior General Manager of Legal Department of Suntory Limited in March 2006.</p> <p>Assumed the office of Executive Officer of Suntory Holdings Limited in April 2010.</p> <p>Assumed the office of Managing Executive Officer of Suntory Holdings Limited in April 2012.</p> <p>Assumed the office of Senior Managing Director of Suntory Holdings Limited in March 2017.</p> <p>Assumed the office of Director of Suntory Holdings Limited in March 2018.</p> <p>Assumed the office of Senior Managing Executive Officer of Suntory Holdings Limited in March 2018.</p> <p>Has occupied the office of Director, Executive Vice President of Suntory Holdings Limited from January 2020 to date (incumbent).</p> <p>Has occupied the office of Director of Suntory Beverage & Food Limited from March 2021 to date (incumbent).</p>	Note 4	163

Title and Scope of Responsibility	Name	Date of Birth	Brief History	Term of office	Number of shares held (in thousands)
Director, Senior Managing Executive Officer	Kenji Yamada	September 17, 1961	<p>Joined Suntory Limited in April 1984.</p> <p>Assumed the office of Executive Officer of Suntory Liquors Limited (Present: Suntory Spirits Limited) in January 2015.</p> <p>Assumed the office of Division COO, Kinki Sales & Marketing Division of such company in January 2015.</p> <p>Assumed the office of Executive Officer of Suntory Holdings Limited in April 2015.</p> <p>Assumed the office of Managing Executive Officer of Suntory Holdings Limited in April 2017.</p> <p>Has occupied the office of Senior Managing Executive Officer of Suntory Holdings Limited from January 2022 to date (incumbent).</p> <p>Has occupied the office of Director of Suntory Holdings Limited from March 2022 to date (incumbent).</p> <p>Has occupied the office of Director, Executive Vice President of Suntory Spirits Limited from July 2022 to date (incumbent).</p> <p>Has occupied the office of Head of Sales Marketing Company of such company from July 2022 to date (incumbent).</p>	Note 4	105
Director, Senior Managing Executive Officer	Kaneo Oka	October 2, 1963	<p>Joined Suntory Limited in April 1986.</p> <p>Assumed the office of Senior General Manager of Musashino Brewery of Suntory Liquors Limited (Present: Suntory Spirits Limited) in April 2014.</p> <p>Assumed the office of Executive Officer of Suntory Holdings Limited in April 2016.</p> <p>Assumed the office of Managing Executive Officer of Suntory Holdings Limited in January 2020.</p> <p>Has occupied the office of Senior Managing Executive Officer of Suntory Holdings Limited from January 2022 to date (incumbent).</p> <p>Has occupied the office of Director of Suntory Holdings Limited from March 2022 to date (incumbent).</p>	Note 4	31
Director	Takashi Mikuriya	April 27, 1951	<p>Assumed the office of Professor of the Faculty of Law, Tokyo Metropolitan University in October 1988.</p> <p>Assumed the office of Professor of Research Center for Advanced Science and Technology, the University of Tokyo in December 2002.</p> <p>Has occupied the office of Professor Emeritus of the University of Tokyo from April 2012 to date (incumbent).</p> <p>Has occupied the office of Director of Suntory Holdings Limited from March 2017 to date (incumbent).</p> <p>Has occupied the office of Fellow of Research Center for Advanced Science and Technology, the University of Tokyo from April 2020 to date (incumbent).</p>	Note 4	—

Title and Scope of Responsibility	Name	Date of Birth	Brief History	Term of office	Number of shares held (in thousands)
Senior Audit & Supervisory Board Member	Kozo Chiji	August 24, 1956	<p>Joined Suntory Limited in April 1980.</p> <p>Assumed the office of Chief Operating Officer, Finance & Accounting Division of Suntory Limited in March 2005.</p> <p>Assumed the office of Director of Suntory Limited in March 2008.</p> <p>Assumed the office of Executive Officer of Suntory Holdings Limited in April 2009.</p> <p>Assumed the office of Managing Executive Officer of Suntory Holdings Limited in January 2011.</p> <p>Assumed the office of Director [full-time Audit & Supervisory Committee Member] of Suntory Beverage & Food Limited in March 2016.</p> <p>Has occupied the office of Senior Audit & Supervisory Board Member of Suntory Holdings Limited from March 2021 to date (incumbent).</p>	Note 5	60
Senior Audit & Supervisory Board Member	Ichie Matsuoka	April 1, 1960	<p>Joined Suntory Limited in April 1983.</p> <p>Assumed the office of Executive Officer of Suntory Liquors Limited (Present: Suntory Spirits Limited) in January 2015</p> <p>Assumed the office of Division COO, Chugoku-Shikoku Sales & Marketing Division of such company in January 2015</p> <p>Assumed the office of Executive Officer of Suntory Holdings Limited in April 2017.</p> <p>Assumed the office of Senior Audit & Supervisory Board Member of Suntory Beer, Wine & Spirits Japan Limited (Present: Suntory Spirits Limited) in January 2022.</p> <p>Has occupied the office of Senior Audit & Supervisory Board Member of Suntory Holdings Limited from March 2022 to date (incumbent).</p>	Note 6	75
Audit & Supervisory Board Member	Minoru Amano	February 17, 1948	<p>Was appointed as Judge in April 1976.</p> <p>Resigned from bench in March 1980.</p> <p>Has Registered as Attorney from May 1980 to date (incumbent).</p> <p>Assumed the office of Audit & Supervisory Board Member of Suntory Limited in March 2003.</p> <p>Has occupied the office of Audit & Supervisory Board Member of Suntory Holdings Limited from February 2009 to date (incumbent).</p>	Note 4	—
Audit & Supervisory Board Member	Hideo Yamada	February 23, 1955	<p>Assumed the office of Professor of system science laboratory, Waseda University in April 1997.</p> <p>Assumed the office of Outside Auditor of Fukuoka Financial Group, Inc. in June 2015.</p> <p>Has occupied the office of Audit & Supervisory Board Member of Suntory Holdings Limited from March 2016 to date (incumbent).</p> <p>Has occupied the office of Professor of Graduate School of Business Administration, Waseda University from April 2016 to date (incumbent).</p> <p>Has occupied the office of Outside Director [Audit & Supervisory Committee Member] of Fukuoka Financial Group, Inc from June 2020 to date (incumbent).</p>	Note 7	—

- Note: 1. Suntory Limited is Suntory Spirits Limited at the present time.
2. Director Mr. Takashi Mikuriya is an Outside Director.
 3. Mr. Minoru Amano and Mr. Hideo Yamada are Outside Audit & Supervisory Board Members.
 4. Current terms of office will expire at the close of Ordinary General Meeting of Shareholders for the Fiscal Year 2022.
 5. Current terms of office will expire at the close of Ordinary General Meeting of Shareholders for the Fiscal Year 2024.
 6. Current terms of office will expire at the close of Ordinary General Meeting of Shareholders for the Fiscal Year 2025.
 7. Current terms of office will expire at the close of Ordinary General Meeting of Shareholders for the Fiscal Year 2023.

Consolidated statement of financial position

(Millions of yen)

	As at December 31, 2021	As at December 31, 2022
Assets		
Current assets:		
Cash and cash equivalents	297,717	301,938
Trade and other receivables	478,517	528,880
Other financial assets	17,236	18,802
Inventories	529,105	656,879
Other current assets	60,263	52,864
Sub-total	1,382,839	1,559,365
Assets held for sale	—	6,144
Total current assets	1,382,839	1,565,509
Non-current assets:		
Property, plant and equipment	750,780	825,613
Right-of-use assets	122,657	114,596
Goodwill	907,119	1,015,862
Intangible assets	1,468,423	1,628,232
Investments accounted for using the equity method	52,756	55,886
Other financial assets	168,513	196,716
Deferred tax assets	48,332	37,199
Other non-current assets	32,586	40,773
Total non-current assets	3,551,170	3,914,880
Total assets	4,934,010	5,480,390

(Millions of yen)

	As at December 31, 2021	As at December 31, 2022
Liabilities and equity		
Liabilities		
Current liabilities:		
Bonds and borrowings	249,255	236,137
Trade and other payables	635,625	698,360
Other financial liabilities	100,340	103,130
Accrued income taxes	20,255	24,985
Provisions	9,020	9,291
Other current liabilities	91,119	95,884
Sub-total	1,105,616	1,167,789
Liabilities directly associated with assets held for sale	—	3,419
Total current liabilities	1,105,616	1,171,208
Non-current liabilities:		
Bonds and borrowings	1,131,736	1,113,588
Other financial liabilities	153,735	137,741
Post-employment benefit liabilities	40,488	37,546
Provisions	10,184	11,613
Deferred tax liabilities	328,966	366,176
Other non-current liabilities	15,888	19,682
Total non-current liabilities	1,681,001	1,686,349
Total liabilities	2,786,617	2,857,558
Equity		
Share capital	70,000	70,000
Share premium	127,856	127,741
Retained earnings	1,525,260	1,652,296
Treasury shares	(938)	(938)
Other components of equity	(12,173)	282,461
Total equity attributable to owners of the Company	1,710,005	2,131,561
Non-controlling interests	437,387	491,270
Total equity	2,147,392	2,622,832
Total liabilities and equity	4,934,010	5,480,390

Consolidated statement of profit or loss

(Millions of yen)

	Year ended December 31, 2021	Year ended December 31, 2022
Revenue (including excise taxes)	2,559,223	2,970,138
Less: excise taxes	(273,546)	(311,357)
Revenue (excluding excise taxes)	2,285,676	2,658,781
Cost of sales	(1,215,302)	(1,468,065)
Gross profit	1,070,374	1,190,716
Selling, general and administrative expenses	(830,173)	(931,564)
Gain on investments accounted for using the equity method	9,704	11,747
Other income	15,308	23,354
Other expenses	(17,735)	(17,785)
Operating income	247,479	276,468
Finance income	6,754	3,614
Finance costs	(16,785)	(18,264)
Profit before income taxes	237,447	261,818
Income tax expenses	(82,049)	(73,284)
Profit for the year	155,398	188,533
Attributable to:		
Owners of the Company	113,965	136,211
Non-controlling interests	41,433	52,321
Profit for the year	155,398	188,533
Earnings per share (Yen)	166.19	198.63

Reconciliation from operating income to adjusted operating income

(Millions of yen)

	Year ended December 31, 2021	Year ended December 31, 2022
Operating income	247,479	276,468
Gain on sale of businesses	(2,417)	(16,137)
Restructuring charges	5,013	5,625
Other	1,805	4,631
Total	4,400	(5,880)
Adjusted operating income	251,880	270,587

Consolidated statement of changes in equity for the year ended 31 December 2022

(Millions of yen)

	Attributable to owners of the parent					Total	Non-controlling interests	Total equity
	Share capital	Share premium	Retained earnings	Treasury shares	Other components of equity			
Balance at 1 January 2021	70,000	133,948	1,420,484	(938)	(207,337)	1,416,157	398,189	1,814,347
Profit for the year			113,965			113,965	41,433	155,398
Other comprehensive income					194,889	194,889	19,333	214,223
Total comprehensive income for the year	—	—	113,965	—	194,889	308,854	60,766	369,621
Dividends			(8,914)			(8,914)	(23,971)	(32,886)
Transactions with non-controlling interests		(6,092)				(6,092)	2,402	(3,689)
Transfer from other components of equity to retained earnings			(275)		275	—		—
Total transactions with owners of the parent	—	(6,092)	(9,189)	—	275	(15,006)	(21,569)	(36,576)
Balance at 31 December 2021	70,000	127,856	1,525,260	(938)	(12,173)	1,710,005	437,387	2,147,392
Profit for the year			136,211			136,211	52,321	188,533
Other comprehensive income					294,259	294,259	28,384	322,643
Total comprehensive income for the year	—	—	136,211	—	294,259	430,471	80,706	511,177
Dividends			(8,914)			(8,914)	(26,820)	(35,735)
Transactions with non-controlling interests		(115)	115			(0)	(2)	(2)
Transfer from other components of equity to retained earnings			(375)		375	—		—
Total transactions with owners of the parent	—	(115)	(9,175)	—	375	(8,914)	(26,822)	(35,737)
Balance at 31 December 2022	70,000	127,741	1,652,296	(938)	282,461	2,131,561	491,270	2,622,832

Consolidated statement of cash flows

	Year ended December 31, 2021	Year ended December 31, 2022
Cash flows from operating activities		
Profit before income taxes	237,447	261,818
Depreciation and amortization	125,754	135,215
Impairment losses (reversal of impairment losses)	3,716	3,155
Interest and dividend income	(1,643)	(3,448)
Interest expense	16,287	15,805
Gain on investments accounted for using the equity method	(9,704)	(11,747)
Loss (gain) on sales of shares of subsidiaries	(2,453)	(16,020)
Increase in inventories	(38,727)	(95,386)
Increase in trade and other receivables	(53,698)	(34,262)
Increase in trade and other payables	66,619	38,269
Other	7,719	12,790
Subtotal	351,317	306,188
Interest and dividends received	7,917	16,939
Interest paid	(18,420)	(17,121)
Income taxes paid	(60,034)	(61,569)
Net cash inflow from operating activities	280,779	244,436
Cash flows from investing activities		
Purchases of property, plant and equipment and intangible assets	(132,509)	(140,212)
Proceeds from sales of property, plant and equipment and intangible assets	4,151	5,199
Payments for acquisition of investment securities	(24,055)	(4,334)
Payments for acquisition of shares in subsidiaries involving changes in the scope of consolidation	(3,785)	—
Proceeds from sale of subsidiaries	—	18,400
Proceeds from sale of businesses	4,932	—
Other	(1,253)	(5)
Net cash outflow from investing activities	(152,519)	(120,952)
Cash flows from financing activities		
(Decrease) increase in short-term borrowings and commercial papers	(36,672)	3,419
Proceeds from long-term borrowings	134,192	156,618
Repayment of long-term borrowings	(206,264)	(225,859)
Payments of finance lease liabilities	(33,035)	(30,147)
Dividends paid to owners of the Company	(8,914)	(8,914)
Dividends paid to non-controlling interests	(24,003)	(26,870)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(3,688)	—
Other	0	—
Net cash outflow from financing activities	(178,385)	(131,755)
Net (decrease) increase in cash and cash equivalents	(50,125)	(8,270)
Cash and cash equivalents at the beginning of the year	338,259	297,717
Effects of exchange rate changes on cash and cash equivalents	9,582	14,450
Cash and cash equivalents included in assets held for sale	—	(1,958)
Cash and cash equivalents at the end of the year	297,717	301,938

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 “Beverages 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
Beverages and foods	Non-alcoholic beverages, healthy drinks, processed foods, other products
Alcoholic Beverages	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, 2021

	Reportable segment			Segment total	Reconciliations *2	Consolidated *1
	Beverages and foods	Alcoholic Beverages	Others			
Revenue (including excise taxes)	1,263,810	1,057,602	237,810	2,559,223	—	2,559,223
Revenue (excluding excise taxes)						
External customers	1,263,810	785,119	236,747	2,285,676	—	2,285,676
Intersegment	5,106	2,711	11,711	19,529	(19,529)	—
Total revenue	1,268,917	787,830	248,459	2,305,206	(19,529)	2,285,676
Segment profit	139,912	127,934	25,489	293,336	(45,856)	247,479

(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 Company to manage the Group's operations and are not allocated to the reportable segments.

Year ended December 31, 2022

(Millions of yen)

	Reportable segment			Segment total	Reconciliations *2	Consolidated *1
	Beverages and foods	Alcoholic Beverages	Others			
Revenue (including excise taxes)	1,444,852	1,245,917	279,369	2,970,138	—	2,970,138
Revenue (excluding excise taxes)						
External customers	1,444,852	935,598	278,331	2,658,781	—	2,658,781
Intersegment	5,545	3,785	13,409	22,740	(22,740)	—
Total revenue	1,450,397	939,383	291,741	2,681,522	(22,740)	2,658,781
Segment profit	162,079	140,627	26,990	329,696	(53,228)	276,468

(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 Company 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
Fiscal year ended December 31, 2021	1,399,963	420,063	332,789	406,406	2,559,223
Fiscal year ended December 31, 2022	1,502,750	537,555	415,247	514,585	2,970,138

(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
Fiscal year ended December 31, 2021	1,210,205	362,745	316,236	396,489	2,285,676
Fiscal year ended December 31, 2022	1,299,481	471,930	387,048	500,321	2,658,781

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

Balance Sheet

(Millions of yen)

	As at December 31, 2021	As at December 31, 2022
ASSETS		
Current assets	1,312,543	1,399,289
Cash and deposits	47,819	49,493
Accounts receivable-trade	4,251	5,610
Short-term loans receivable	1,234,597	1,157,805
Advance payments-trade	656	1,703
Accounts receivable-other	19,564	179,807
Other current assets	6,294	5,677
Allowance for doubtful accounts	(640)	(807)
Non-current assets	965,390	954,480
Property, plant and equipment	34,586	34,011
Buildings, net	25,058	24,101
Machinery and equipment, net	631	775
Tools, furniture and fixtures, net	4,369	4,262
Land	3,670	3,670
Construction in progress	45	72
Other	810	1,128
Intangible assets	3,840	4,031
Leasehold right	3,705	3,705
Other intangible assets	134	326
Investments and other assets	926,964	916,436
Investment securities	19,332	25,213
Shares of subsidiaries and associates	517,556	512,783
Long-term loans receivable from subsidiaries and associates	369,655	360,214
Distressed receivables	3,854	3,854
Long-term prepaid expenses	1,328	1,680
Prepaid pension cost	12,689	10,007
Other	6,565	6,536
Allowance for doubtful accounts	(4,019)	(3,854)
Deferred assets	759	706
TOTAL ASSETS	2,278,693	2,354,477

(Millions of yen)

	As at December 31, 2021	As at December 31, 2022
LIABILITIES		
Current liabilities	384,140	371,986
Short-term loans payable	15	11
Current portion of long-term loans payable	73,712	48,630
Current portion of bonds payable	67,295	60,000
Accounts payable-other	2,377	41,476
Accrued expenses	13,804	36,258
Accrued consumption taxes	275	979
Income taxes payable	1,504	1,423
Deposits received from employees	15,578	15,002
Deposits received	99,964	50,683
Provision for bonuses	6,242	5,828
Other	103,370	111,691
Non-current liabilities	945,735	991,011
Bonds payable	275,505	300,523
Long-term loans payable	654,326	674,585
Deferred tax liabilities	961	2,209
Provision for retirement benefits	9,276	9,445
Other	5,665	4,247
TOTAL LIABILITIES	1,329,876	1,362,997
NET ASSETS		
Shareholders' equity	945,698	985,007
Capital stock	70,000	70,000
Capital surplus	286,367	286,367
Legal capital surplus	17,500	17,500
Other capital surplus	268,867	268,867
Retained earnings	590,269	629,578
Other retained earnings	590,269	629,578
Reserve for special depreciation	6	14
Reserve for advanced depreciation of non-current assets	1,916	2,016
Reserve for purchase of specific shares	52	—
General reserve	312,700	312,700
Retained earnings brought forward	275,594	314,848
Treasury stock	(938)	(938)
Valuation and translation adjustments	3,118	6,472
Valuation difference on available-for-sale securities	5,326	7,233
Deferred gains or losses on hedges	(2,207)	(761)
TOTAL NET ASSETS	948,817	991,479
TOTAL LIABILITIES AND NET ASSETS	2,278,693	2,354,477

Statement of Income

(Millions of yen)

	Year ended December 31, 2021	Year ended December 31, 2022
Operating revenue	108,473	122,448
Royalty income	38,159	40,427
Dividends from subsidiaries and associates	68,865	65,932
Other	1,449	16,087
Operating expenses	47,894	70,065
General and administrative expenses	47,894	70,065
Operating income	60,579	52,382
Non-operating income	15,275	11,278
Interest income	9,603	9,863
Interest income on securities	7	7
Dividends income	312	380
Foreign exchange gains	206	697
Gain on investments in partnership	4,980	—
Other	164	329
Non-operating expenses	8,459	8,462
Interest expenses	5,870	4,979
Interest on bonds	1,372	1,475
Loss on investments in partnership	—	1,182
Other	1,215	825
Ordinary income	67,395	55,198
Extraordinary income	—	1,946
Gain on extinguishment of tie-in shares	—	1,936
Other	—	10
Extraordinary loss	13,984	8,129
Loss on support to subsidiaries and associates	12,700	8,098
Other	1,284	31
Income before income taxes	53,411	49,015
Income taxes-current	2,965	850
Income taxes-deferred	(801)	(59)
Net income	51,247	48,224

Statement of Changes in Net Assets

Fiscal year ended December 31, 2021

(Millions of yen)

	Capital stock	Capital surplus			Retained earnings						Treasury stock	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings					Total retained earnings		
					Reserve for special depreciation	Reserve for advanced depreciation of non-current assets	Reserve for purchase of specific shares	General reserve	Retained earnings brought forward			
Balance at January 1, 2021	70,000	17,500	268,867	286,367	13	1,970	—	312,700	233,253	547,937	(938)	903,366
Changes of items during the year												
Dividends from surplus									(8,914)	(8,914)		(8,914)
Net income									51,247	51,247		51,247
Reversal of reserve for special depreciation					(6)				6	—		—
Reversal of reserve for advanced depreciation of non-current assets						(53)			53	—		—
Provision of reserve for purchase of specific shares							52		(52)	—		—
Net changes of items other than shareholders' equity												
Total changes of items during the year	—	—	—	—	(6)	(53)	52	—	42,341	42,332	—	42,332
Balance at December 31, 2021	70,000	17,500	268,867	286,367	6	1,916	52	312,700	275,594	590,269	(938)	945,698

(Millions of yen)

	Valuation and translation adjustments			Total net assets
	Valuation difference on available - for - sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at January 1, 2021	5,257	(2,817)	2,440	905,806
Changes of items during the year				
Dividends from surplus				(8,914)
Net income				51,247
Reversal of reserve for special depreciation				—
Reversal of reserve for advanced depreciation of non-current assets				—
Provision of reserve for purchase of specific shares				—
Net changes of items other than shareholders' equity	68	609	678	678
Total changes of items during the year	68	609	678	43,010
Balance at December 31, 2021	5,326	(2,207)	3,118	948,817

Fiscal year ended December 31, 2022

(Millions of yen)

	Capital stock	Capital surplus			Retained earnings							Treasury stock	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings					Total retained earnings			
					Reserve for special depreciation	Reserve for advanced depreciation of non-current assets	Reserve for purchase of specific shares	General reserve	Retained earnings brought forward				
Balance at January 1, 2022	70,000	17,500	268,867	286,367	6	1,916	52	312,700	275,594	590,269	(938)	945,698	
Changes of items during the year													
Dividends from surplus									(8,914)	(8,914)		(8,914)	
Net income									48,224	48,224		48,224	
Provision of reserve for special depreciation					8				(8)	—		—	
Reversal of reserve for special depreciation					(12)				12	—		—	
Reversal of reserve for advanced depreciation of non-current assets						(52)			52	—		—	
Reversal of reserve for purchase of specific shares							(52)		52	—		—	
Increase by merger					10	152			(163)	—		—	
Net changes of items other than shareholders' equity													
Total changes of items during the year	—	—	—	—	7	100	(52)	—	39,253	39,309	—	39,309	
Balance at December 31, 2022	70,000	17,500	268,867	286,367	14	2,016	—	312,700	314,848	629,578	(938)	985,007	

(Millions of yen)

	Valuation and translation adjustments			Total net assets
	Valuation difference on available - for - sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at January 1, 2022	5,326	(2,207)	3,118	948,817
Changes of items during the year				
Dividends from surplus				(8,914)
Net income				48,224
Provision of reserve for special depreciation				—
Reversal of reserve for special depreciation				—
Reversal of reserve for advanced depreciation of non-current assets				—
Reversal of reserve for purchase of specific shares				—
Increase by merger				—
Net changes of items other than shareholders' equity	1,906	1,446	3,353	3,353
Total changes of items during the year	1,906	1,446	3,353	42,662
Balance at December 31, 2022	7,233	(761)	6,472	991,479