

**Suntory Holdings Limited**

August 6, 2020

**SUMMARY OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2020 [IFRS] (English Translation, UNAUDITED)**

Company Name: Suntory Holdings Limited  
 (URL: <https://www.suntory.com/>)  
 Representative: Takeshi Niinami, President  
 Contact: Hiroshi Kato, Head of Public Relations  
 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 six months of the current fiscal year (January 1, 2020 - June 30, 2020)**

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

	Revenue (including excise taxes)		Revenue (excluding excise taxes)		Operating income		Profit before income taxes		Profit for the period		Profit attributable to owners of the Company	
	¥million	%	¥million	%	¥million	%	¥million	%	¥million	%	¥million	%
Six months ended												
June 30, 2020	1,105,324	(10.2)	984,554	(10.7)	94,572	(19.7)	87,024	(19.8)	57,174	(27.1)	45,236	(24.7)
June 30, 2019	1,230,954	3.5	1,101,939	3.5	117,801	(4.3)	108,453	(6.5)	78,459	(18.2)	60,075	(19.7)

Reference: Adjusted operating income for the fiscal year ending June 30, 2020 95,563¥million (20.5)%

Adjusted operating income for the fiscal year ending June 30, 2019 120,207¥million 8.0%

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

	Basic earnings per share	Diluted earnings per share
Six months ended	¥	¥
June 30, 2020	65 .97	—
June 30, 2019	87 .60	—

**(2) Financial positions**

	Total assets	Total equity	Equity attributable to owners of the Company	Equity attributable to owners of the Company ratio
As of	¥million	¥million	¥million	%
June 30, 2020	4,565,859	1,760,499	1,370,192	30.0
December 31, 2019	4,516,779	1,793,887	1,398,534	31.0

**2. Consolidated earnings forecast for the fiscal year ending December 31, 2020 (January 1, 2020 - December 31, 2020)**

	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	%	¥
Fiscal year ended											
December 31, 2020	—	—	—	—	—	—	—	—	—	—	—

Reference: Adjusted operating income for the fiscal year ending December 31, 2020 —¥million —%

(Note) Change in consolidated earnings forecast during the period: Yes

\* Due to the current difficulty of reasonably estimating the impact of the spread of novel coronavirus infectious disease (COVID-19), the consolidated earnings forecast announced on February 14, 2020 have been withdrawn, and new forecasts have yet to be determined.

## Consolidated statement of financial position

(Millions of yen)

	As at December 31, 2019	As at June 30, 2020
Assets		
Current assets:		
Cash and cash equivalents	255,302	366,485
Trade and other receivables	408,893	385,894
Other financial assets	12,344	8,209
Inventories	435,501	473,732
Other current assets	63,797	51,633
Subtotal	1,175,840	1,285,956
Assets held for sale	187	0
Total current assets	1,176,028	1,285,956
Non-current assets:		
Property, plant and equipment	708,663	698,967
Right-of-use assets	97,359	96,583
Goodwill	857,328	844,371
Intangible assets	1,405,341	1,356,505
Investments accounted for using the equity method	46,217	46,450
Other financial assets	122,950	133,803
Deferred tax assets	73,729	72,579
Other non-current assets	29,161	30,639
Total non-current assets	3,340,751	3,279,902
Total assets	4,516,779	4,565,859

(Millions of yen)

	As at December 31, 2019	As at June 30, 2020
Liabilities and equity		
Liabilities		
Current liabilities:		
Bonds and borrowings	148,861	234,565
Trade and other payables	564,412	550,326
Other financial liabilities	121,775	95,780
Accrued income taxes	27,432	31,840
Provisions	13,985	14,000
Other current liabilities	86,327	56,946
Total current liabilities	962,794	983,459
Non-current liabilities:		
Bonds and borrowings	1,278,013	1,347,952
Other financial liabilities	126,683	128,720
Post-employment benefit liabilities	43,618	45,721
Provisions	6,882	6,433
Deferred tax liabilities	289,537	279,790
Other non-current liabilities	15,362	13,281
Total non-current liabilities	1,760,098	1,821,900
Total liabilities	2,722,892	2,805,359
Equity		
Share capital	70,000	70,000
Share premium	133,909	133,958
Retained earnings	1,329,315	1,365,705
Treasury shares	(938)	(938)
Other components of equity	(133,752)	(198,533)
Total equity attributable to owners of the Company	1,398,534	1,370,192
Non-controlling interests	395,352	390,307
Total equity	1,793,887	1,760,499
Total liabilities and equity	4,516,779	4,565,859

**Consolidated statement of profit or loss**

(Millions of yen)

	Six months ended June 30, 2019	Six months ended June 30, 2020
Revenue (including excise taxes)	1,230,954	1,105,324
Less: excise taxes	(129,014)	(120,769)
Revenue (excluding excise taxes)	1,101,939	984,554
Cost of sales	(574,479)	(518,377)
Gross profit	527,459	466,177
Selling, general and administrative expenses	(409,577)	(375,676)
Gain on investments accounted for using the equity method	3,790	3,961
Other income	1,713	5,075
Other expenses	(5,585)	(4,965)
Operating income	117,801	94,572
Finance income	2,867	1,911
Finance costs	(12,215)	(9,459)
Profit before income taxes	108,453	87,024
Income tax expenses	(29,994)	(29,850)
Profit for the period	78,459	57,174
Attributable to:		
Owners of the Company	60,075	45,236
Non-controlling interests	18,383	11,938
Profit for the period	78,459	57,174
Earnings per share (Yen)	87.60	65.97

## Reconciliation from operating income to adjusted operating income

(Millions of yen)

	Six months ended June 30, 2019	Six months ended June 30, 2020
Operating income	117,801	94,572
Restructuring charges	2,105	269
Other	299	722
Total	2,405	991
Adjusted operating income	120,207	95,563

## 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

### (Changes of reportable segments)

Due to the reorganization carried out on January 1, 2020, a trading company of Italian food and wines previously included in the Alcoholic beverage segment has been transferred to the Others segment.

The segment information for the previous year ended December 31, 2019 has been restated.

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

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

Six months ended June 30, 2019

(Millions of yen)

	Reportable segment			Segment total	Reconciliations *2	Consolidated *1
	Beverages and foods	Alcoholic Beverages	Others			
Revenue (including excise taxes)	624,259	486,561	120,133	1,230,954	—	1,230,954
Revenue (excluding excise taxes)						
External customers	624,259	357,770	119,909	1,101,939	—	1,101,939
Intersegment	3,510	2,397	5,393	11,302	(11,302)	—
Total revenue	627,770	360,167	125,303	1,113,241	(11,302)	1,101,939
Segment profit (loss)	61,174	63,981	14,157	139,313	(21,511)	117,801

(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.

Six months ended June 30, 2020

(Millions of yen)

	Reportable segment			Segment total	Reconciliations *2	Consolidated *1
	Beverages and foods	Alcoholic Beverages	Others			
Revenue (including excise taxes)	550,136	454,201	100,986	1,105,324	—	1,105,324
Revenue (excluding excise taxes)						
External customers	550,136	333,576	100,842	984,554	—	984,554
Intersegment	2,393	1,583	5,573	9,550	(9,550)	—
Total revenue	552,529	335,160	106,415	994,105	(9,550)	984,554
Segment profit (loss)	45,439	62,254	9,245	116,939	(22,366)	94,572

(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.