

December 10, 2015

Company name: Suntory Beverage & Food Limited
Representative: Nobuhiro Torii, President & CEO
(Securities code: 2587, First Section, Tokyo Stock
Exchange)
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Notice Concerning Establishment of a Subsidiary for the Full-line Beverage Service Business

Suntory Beverage & Food Limited (the “Company”) hereby announces that it has resolved at a meeting of its Board of Directors held today to establish Suntory Beverage Solution Limited (“New Company”) as a new subsidiary of the Company, and to start operation of the vending machine business, fountain business, and water business (“Full-line Beverage Service Business”) currently operated by the Company’s consolidated subsidiary Suntory Foods Limited (“Suntory Foods”) at the New Company on April 1, 2016 (planned).

1. Purpose for Establishment of New Company and Transfer of Full-line Beverage Service Business

The Full-line Beverage Service Business operated by Suntory Foods for the purpose of providing a full-line of beverage services will be transferred to the New Company via the company split method in order to expedite decision making regarding this business within the Group, to improve customer satisfaction, and to increase management efficiency. Moreover, the Group aims to accelerate the expansion of its customer base even further by unifying its strategy to further enhance customer response capabilities and sales capabilities, as well as providing high added value to customers through the development of new products and services.

2. Schedule for Establishment of New Company and Transfer of Full-line Beverage Service Business

Resolution by the Board of Directors of the Company on establishment of the New Company:	December 10, 2015
Resolution by the Board of Directors of the Company on method and details of the company split:	February 12, 2016 (Planned)
Scheduled date of the company split (effective date):	April 1, 2016 (Planned)

3. Overview of New Company

(1) Trade Name	Suntory Beverage Solution Limited	
(2) Location	1-1, Kyobashi 3-chome, Chuo-ku, Tokyo	
(3) Representative	Masato Tsuchida (President & CEO)	
(4) Major Businesses	Soft drink vending machine business, fountain business, water business, etc., in Japan	
(5) Paid in Capital	To be decided	
(6) Date of Establishment	To be decided	
(7) Total Number of Issued Shares	To be decided	
(8) Net Assets	To be decided	
(9) Total Assets	To be decided	
(10) Fiscal Year-end	December 31	
(11) Relationship with the Company	Capital	The Company plans to hold 100% of the voting rights in the New Company.
	Personal	The Company plans to have one of its directors, to serve as the representative director and president of the New Company.
	Business	To be decided
(12) Major Shareholder and Holding Ratio	Suntory Beverage & Food Limited: 100% (Planned)	

As described above, the New Company will succeed the Full-line Beverage Service Business currently operated by Suntory Foods through a company split and is scheduled to begin operation of the Full-line Beverage Service Business on April 1, 2016 (planned). The overview of the company split is as follows:

(1) Overview of the business involved in the company split

The Full-line Beverage Service Business operated by Suntory Foods

(2) Annual net sales related to the business involved in the company split (fiscal year ended December 31, 2014)

Approx. 200.0 billion yen

(3) Asset and liability items involved in the company split

Current assets, noncurrent assets, current liabilities, and long-term liabilities related to the Full-line Beverage Service Business operated by Suntory Foods

4. Effects on Business Performance

The effects of the establishment of the New Company on the consolidated business performance of the Company for the fiscal year ending December 31, 2015 are minor.

5. Other

Further details will be announced as they are decided.