

**Supplementary Material on Consolidated Financial Results for the First
Nine Months of the Year Ending December 31, 2018**

<Results for the First Nine Months of the Year Ending December 31, 2018>

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1. Summary of Consolidated Statement of Profit or Loss, Indices, etc.
2. Revenue Details
3. Profit Details
4. Other Information

Suntory Beverage & Food Limited

November 5, 2018

<Results for the First Nine Months of the Year Ending December 31, 2018>

1. Summary of Consolidated Statement of Profit or Loss, Indices, etc.

(1) Summary of Consolidated Statement of Profit or Loss

(Billions of yen with fractional amounts rounded off)

	Nine months ended September 30, 2017		Nine months ended September 30, 2018		Increase (decrease)	
		Ratio to revenue		Ratio to revenue		
Revenue	930.2	100.0%	972.1	100.0%	41.8	4.5%
Gross profit	408.5	43.9%	405.6	41.7%	(3.0)	(0.7%)
Selling, general and administrative expenses	311.0	33.4%	320.6	33.0%	9.6	3.1%
Gain on investments accounted for using the equity method	0.5	0.0%	0.1	0.0%	(0.4)	(87.4%)
Other income	1.5	0.2%	13.8	1.4%	12.4	832.5%
Other expenses	6.4	0.7%	4.5	0.5%	(1.9)	(30.1%)
Operating income	93.1	10.0%	94.4	9.7%	1.3	1.4%
Finance income	0.4	0.0%	0.7	0.1%	0.3	88.9%
Finance costs	3.7	0.4%	2.0	0.2%	(1.7)	(44.9%)
Profit before tax for the period	89.8	9.7%	93.1	9.6%	3.3	3.6%
Income tax expense	24.8	2.7%	20.7	2.1%	(4.1)	(16.7%)
Profit for the period	65.0	7.0%	72.4	7.4%	7.4	11.4%
Profit for the period attributable to non-controlling interests	6.0	0.6%	6.6	0.7%	0.6	10.1%
Profit for the period attributable to owners of the Company	59.0	6.3%	65.8	6.8%	6.8	11.5%

(2) Other Indices

(Billions of yen)

		Nine months ended September 30, 2017		Nine months ended September 30, 2018		Increase (decrease)	
Depreciation		47.3		46.8		(0.5)	(1.0%)
Operating income	Operating margin	93.1	10.0%	94.4	9.7%	1.3	1.4%
EBITDA *1	EBITDA margin	145.3	15.6%	131.8	13.6%	(13.5)	(9.3%)

*1 EBITDA is calculated as operating income - Other income + Other expenses + Depreciation.

(Billions of yen)

		As at December 31, 2017		As at September 30, 2018		Increase (decrease)	
Total assets		1,522.0		1,596.0		74.0	4.9%
Total equity		746.2		807.3		61.1	8.2%
D/E ratio (Times) *2		0.2		0.2			

*2 D/E ratio is calculated as (Interest-bearing debt - Cash and cash equivalents ± Valuation difference from adopting hedge accounting, etc.) / Total equity

(3) Exchange Rates for the Consolidation of Profit or Loss of the Major Overseas Companies

(Yen, average exchange rate)

	Nine months ended September 30, 2017	Nine months ended September 30, 2018
USD	111.9	109.6
EUR	124.6	130.9
GBP	142.6	148.1
SGD	80.5	81.8
THB	3.3	3.4
VND	0.0049	0.0048
NZD	80.1	76.7
AUD	85.7	83.1

2. Revenue Details

(Billions of yen)

	Nine months ended September 30, 2017	Nine months ended September 30, 2018	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	523.2	536.8	13.6	2.6%	–	
Europe	185.6	193.6	8.0	4.3%	(0.1%)	
Asia	119.4	143.3	23.9	20.0%	21.6%	
Oceania	40.3	38.8	(1.5)	(3.7%)	(0.2%)	
Americas	61.6	59.5	(2.2)	(3.5%)	(1.5%)	
Reconciliations	–	–	–	–	–	
Consolidation total	930.2	972.1	41.8	4.5%	4.1%	

Following the organizational changes, the fresh coffee business, which was previously included in “Asia business,” was reclassified from “Asia business” into “Oceania business” starting in 2018. Accordingly, the reportable segments after the reclassification are provided for “Nine months ended September 30, 2017.”

3. Profit Details

(1) EBITDA

(Billions of yen)

	Nine months ended September 30, 2017	Nine months ended September 30, 2018	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	75.9	67.6	(8.3)	(10.9%)	–	
Europe	37.8	33.4	(4.4)	(11.7%)	(15.4%)	
Asia	21.9	23.1	1.1	5.2%	4.8%	
Oceania	5.8	5.4	(0.4)	(6.6%)	(5.2%)	
Americas	9.7	8.5	(1.2)	(12.6%)	(10.8%)	
Reconciliations	(5.9)	(6.2)	(0.3)	–	–	*1
Consolidation total	145.3	131.8	(13.5)	(9.3%)	(10.2%)	

*1 The reconciliations of EBITDA represent corporate expenses unallocated to each reportable segment.

Following the organizational changes, the fresh coffee business, which was previously included in “Asia business,” was reclassified from “Asia business” into “Oceania business” starting in 2018. Accordingly, the reportable segments after the reclassification are provided for “Nine months ended September 30, 2017.”

(2) Segment Profit

(Billions of yen)

	Nine months ended September 30, 2017	Nine months ended September 30, 2018	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	45.6	39.9	(5.7)	(12.5%)	–	
Europe	28.8	25.2	(3.6)	(12.6%)	(16.6%)	
Asia	15.5	27.7	12.2	78.7%	77.4%	
Oceania	3.9	3.5	(0.4)	(10.3%)	(11.5%)	
Americas	7.2	6.5	(0.7)	(10.3%)	(8.5%)	
Reconciliations	(8.0)	(8.4)	(0.5)	–	–	*2
Consolidation total	93.1	94.4	1.3	1.4%	(0.0%)	

*2 The reconciliations of segment profit represent corporate expenses unallocated to each reportable segment.

Following the organizational changes, the fresh coffee business, which was previously included in “Asia business,” was reclassified from “Asia business” into “Oceania business” starting in 2018. Accordingly, the reportable segments after the reclassification are provided for “Nine months ended September 30, 2017.”

(3) Breakdown of Increase (Decrease) in Segment Profit for Japan Business Segment

(Billions of yen)

Segment profit for the nine months ended September 30, 2017	45.6
Increase in revenue	13.6
Increase in cost of goods sold	(15.9)
Increase in sales promotion and advertising costs	(2.1)
Increase in other expenses	(1.4)
Segment profit for the nine months ended September 30, 2018	39.9

4. Summary of Consolidated Statement of Financial Position

(Billions of yen)

	As at December 31, 2017	As at September 30, 2018	Increase (decrease)	Reference
Cash and cash equivalents	113.9	121.7	7.8	
Trade and other receivables	176.7	229.5	52.8	*3
Other financial assets	11.8	0.9	(10.9)	
Inventories	81.0	90.8	9.8	
Other current assets	25.5	27.2	1.7	
Subtotal	408.8	470.1	61.3	
Assets held for sale	22.1	0.0	(22.1)	*4
Current assets	430.9	470.1	39.2	
Property, plant and equipment	354.2	376.8	22.6	*5
Goodwill	254.0	256.2	2.2	
Intangible assets	432.8	440.8	8.0	
Investments accounted for using the equity method	1.2	1.1	(0.1)	
Other financial assets	20.5	21.6	1.1	
Deferred tax assets	12.7	13.8	1.0	
Other non-current assets	15.7	15.7	(0.0)	
Non-current assets	1,091.1	1,125.9	34.8	
Total assets	1,522.0	1,596.0	74.0	
Bonds and borrowings	95.7	92.0	(3.6)	
Trade and other payables	289.5	335.5	45.9	*3
Other financial liabilities	32.7	26.2	(6.4)	
Accrued income taxes	18.8	11.6	(7.2)	
Provisions	1.4	0.9	(0.5)	
Other current liabilities	8.9	10.8	1.9	
Subtotal	446.9	477.0	30.2	
Liabilities directly associated with assets held for sale	6.2	–	(6.2)	*4
Current liabilities	453.1	477.0	24.0	
Bonds and borrowings	211.4	197.6	(13.7)	*6
Other financial liabilities	25.3	21.1	(4.2)	
Post-employment benefit liabilities	11.9	12.8	0.9	
Provisions	2.9	2.6	(0.3)	
Deferred tax liabilities	66.0	71.2	5.2	
Other non-current liabilities	5.3	6.2	0.9	
Non-current liabilities	322.7	311.6	(11.1)	
Total liabilities	775.8	788.7	12.9	
Total equity attributable to owners of the Company	690.4	721.5	31.1	
Non-controlling interests	55.8	85.8	30.0	*5
Total equity	746.2	807.3	61.1	
Total liabilities and equity	1,522.0	1,596.0	74.0	

*3 The increase is mainly due to seasonal fluctuations on December 31 and September 30.

*4 The decrease is mainly due to the impact of transfer of share of subsidiaries.

*5 The increase is mainly due to the impact of business combination.

*6 The decrease is mainly due to the transfer from non-current liabilities (long-term borrowings) to current liabilities (short-term borrowings).

5. Other Information

<Sales Volume of Major Brands in Japan Business> * On the basis of shipment volumes

(Million cases)

	Nine months ended September 30, 2017		Nine months ended September 30, 2018	
	Actual	Increase (decrease)	Actual	Increase (decrease)
<i>Suntory Tennensui</i>	83.9	8%	92.1	10%
<i>Boss</i>	71.3	3%	77.9	9%
<i>Iyemon</i>	42.9	4%	40.8	(5%)
<i>Suntory Oolong Tea</i>	20.0	2%	20.2	1%
<i>Pepsi</i>	17.1	(12%)	15.4	(10%)
<i>Orangina</i>	6.4	(29%)	4.4	(31%)
<i>Green DAKARA</i>	25.3	19%	30.9	22%
FOSHU drinks and Foods with Function Claims	20.0	(5%)	17.5	(13%)
Total	337.9	3%	353.0	4%

* The portions of the sales volume by Japan Beverage Holdings Inc., etc. that were supplied from other soft drink manufacturers are not included in the above figures.

<Sales Volume of Major Brands in Europe Business>

(Million liters)

	Nine months ended September 30, 2017		Nine months ended September 30, 2018	
	Actual	Increase (decrease)	Actual	Increase (decrease)
<i>Orangina</i> (France)	126	5%	131	4%
<i>Oasis</i> (France)	215	2%	225	5%
<i>Schweppes</i> (Spain, Portugal)	107	2%	102	(5%)
<i>Lucozade</i> (UK, Ireland)	291	(5%)	290	(0%)
<i>Ribena</i> (UK, Ireland)	81	(4%)	79	(2%)

<Earnings Forecast for the Year Ending December 31, 2018>

1. Summary of Consolidated Statement of Profit or Loss, Indices, etc.

(1) Summary of Consolidated Statement of Profit or Loss

(Billions of yen with fractional amounts rounded off)

	Year ended December 31, 2017, Actual		Year ending December 31, 2018, Revised forecast		Changes from previous forecast (February 15)	Increase (decrease)	
		Ratio to revenue		Ratio to revenue			
Revenue	1,234.0	100.0%	1,293.0	100.0%	–	59.0	4.8%
Gross profit	536.2	43.5%	540.0	41.8%	(18.0)	3.8	0.7%
Selling, general and administrative expenses	412.4	33.4%	430.2	33.3%	(3.7)	17.8	4.3%
Gain on investments accounted for using the equity method	0.4	0.0%	0.1	0.0%	0.1	(0.3)	(77.6%)
Other income	5.9	0.5%	13.9	1.1%	3.5	8.0	137.1%
Other expenses	12.1	1.0%	5.7	0.4%	(1.8)	(6.4)	(53.0%)
Operating income	118.0	9.6%	118.0	9.1%	(9.0)	0.0	0.0%
Finance income	0.9	0.1%	1.3	0.1%	1.0	0.4	49.1%
Finance costs	4.4	0.4%	3.3	0.3%	(0.5)	(1.1)	(24.7%)
Profit before tax	114.4	9.3%	116.0	9.0%	(7.5)	1.6	1.4%
Income tax expense	28.3	2.3%	27.0	2.1%	(7.4)	(1.3)	(4.5%)
Profit for the year	86.2	7.0%	89.0	6.9%	(0.1)	2.8	3.3%
Profit for the year attributable to non-controlling interests	8.1	0.7%	9.0	0.7%	(0.1)	0.9	11.6%
Profit for the year attributable to owners of the Company	78.1	6.3%	80.0	6.2%	–	1.9	2.4%

(2) Other Indices

(Billions of yen)

	Year ended December 31, 2017, Actual		Year ending December 31, 2018, Revised forecast		Changes from previous forecast (February 15)	Increase (decrease)	
Depreciation	63.9		64.9		–	0.9	1.4%
Operating income	118.0		118.0		(9.0)	0.0	0.0%
Profit for the year attributable to owners of the Company	78.1		80.0		–	1.9	2.4%
EBITDA *1	188.2	15.2%	174.7	13.5%	(14.3)	(13.4)	(7.1%)

*1 EBITDA is calculated as Operating income - Other income + Other expenses + Depreciation.

EPS (Yen)	252.79	258.90	–	6.11	2.4%
Operating margin	9.6%	9.1%			
ROE	12.0%	11.1%			
Dividend payout ratio *2	29.7%	30.1%			

*2 Dividend payout ratio for each year is calculated by dividing the total cash dividends of that year by profit for the year attributable to owners of the Company of that year.

(Billions of yen)

	As at December 31, 2017 Actual	As at December 31, 2018 Revised forecast	Changes from previous forecast (February 15)	Increase (decrease)	
Total assets	1,522.0	1,550.0	–	28.0	1.8%
Total equity	746.2	820.0	–	73.8	9.9%
Capital expenditures	59.1	61.0	–	1.9	3.3%
D/E ratio (Times) *3	0.2	0.2	–		

*3 D/E ratio is calculated as (Interest-bearing debt - Cash and cash equivalents ± Valuation difference from adopting hedge accounting, etc.) / Total equity

(3) Exchange Rates for the Consolidation of Profit or Loss of the Major Overseas Companies

(Yen, average exchange rate)

	Year ended December 31, 2017, Actual	Year ending December 31, 2018, Revised forecast	Previous forecast (February 15)
USD	112.2	111.0	110.0
EUR	126.7	131.0	131.0
GBP	144.5	148.0	142.0
SGD	81.3	82.0	81.0
THB	3.3	3.4	3.3
VND	0.0049	0.0048	0.0048
NZD	79.7	76.0	79.0
AUD	86.0	83.0	87.0

2. Revenue Details

(Billions of yen)

	Year ended December 31, 2017, Actual	Year ending December 31, 2018, Forecast	Changes from previous forecast (February 15)	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	689.2	704.5	11.5	15.3	2.2%	–	
Europe	238.9	248.5	(6.5)	9.6	4.0%	0.9%	
Asia	163.5	200.0	–	36.5	22.3%	24.0%	
Oceania	56.3	55.0	(3.0)	(1.4)	(2.4%)	1.6%	
Americas	86.0	85.0	(2.0)	(1.0)	(1.2%)	0.2%	
Reconciliations	–	–	–	–	–	–	
Consolidation total	1,234.0	1,293.0	–	59.0	4.8%	4.6%	

Following the organizational changes, the fresh coffee business, which was previously included in “Asia business,” was reclassified from “Asia business” into “Oceania business” starting in 2018. Accordingly, the reportable segments after the reclassification are provided for “Year ended December 31, 2017, Actual.”

3. Profit Details

(1) EBITDA

(Billions of yen)

	Year ended December 31, 2017, Actual	Year ending December 31, 2018, Forecast	Changes from previous forecast (February 15)	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	96.8	89.1	(7.9)	(7.7)	(7.9%)	–	
Europe	48.2	42.8	(5.2)	(5.4)	(11.2%)	(13.8%)	
Asia	29.7	31.6	0.6	1.9	6.4%	6.4%	
Oceania	9.0	8.7	(0.8)	(0.3)	(3.1%)	(1.6%)	
Americas	13.0	11.7	(1.3)	(1.3)	(10.1%)	(8.8%)	
Reconciliations	(8.6)	(9.3)	0.2	(0.7)	–	–	*1
Consolidation total	188.2	174.7	(14.3)	(13.4)	(7.1%)	(7.7%)	

*1 The reconciliations of EBITDA represent corporate expenses unallocated to each reportable segment.

Following the organizational changes, the fresh coffee business, which was previously included in “Asia business,” was reclassified from “Asia business” into “Oceania business” starting in 2018. Accordingly, the reportable segments after the reclassification are provided for “Year ended December 31, 2017, Actual.”

(2) Segment Profit

(Billions of yen)

	Year ended December 31, 2017, Actual	Year ending December 31, 2018, Forecast	Changes from previous forecast (February 15)	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	57.3	52.0	(6.5)	(5.3)	(9.2%)	–	
Europe	34.6	31.0	(3.0)	(3.6)	(10.4%)	(13.4%)	
Asia	22.2	33.0	2.0	10.8	48.7%	48.9%	
Oceania	6.0	6.0	(0.7)	(0.0)	(0.0%)	(0.5%)	
Americas	9.3	8.0	(1.3)	(1.3)	(14.1%)	(12.9%)	
Reconciliations	(11.4)	(12.0)	0.5	(0.6)	–	–	*2
Consolidation total	118.0	118.0	(9.0)	0.0	0.0%	(0.8%)	

*2 The reconciliations of segment profit represent corporate expenses unallocated to each reportable segment.

Following the organizational changes, the fresh coffee business, which was previously included in “Asia business,” was reclassified from “Asia business” into “Oceania business” starting in 2018. Accordingly, the reportable segments after the reclassification are provided for “Year ended December 31, 2017, Actual.”

(3) Breakdown of Increase (Decrease) in Segment Profit for Japan Business Segment

(Billions of yen)

		Changes from previous forecast (February 15)
Segment profit for the year ended December 31, 2017, Actual	57.3	–
Increase in revenue	15.3	11.5
Increase in cost of goods sold	(16.6)	(16.2)
Increase in sales promotion and advertising costs	(1.4)	(1.9)
Increase in other expenses	(2.6)	0.1
Segment profit for the year ending December 31, 2018, Forecast	52.0	(6.5)

4. Other Information

<Sales Volume of Major Brands in Japan Business> * On the basis of shipment volumes

(Million cases)

	Year ended December 31, 2017		Year ending December 31, 2018		Changes from previous forecast (February 15)
	Actual	Increase (decrease)	Forecast	Increase (decrease)	
<i>Suntory Tennensui</i>	108.0	7%	117.5	9%	5.0
<i>Boss</i>	99.0	6%	105.4	6%	5.0
<i>Iyemon</i>	56.4	2%	53.8	(5%)	(2.9)
<i>Suntory Oolong Tea</i>	26.2	2%	26.3	0%	(0.2)
<i>Pepsi</i>	21.9	(13%)	19.8	(9%)	(2.1)
<i>Orangina</i>	8.0	(29%)	5.6	(30%)	(2.4)
<i>Green DAKARA</i>	30.5	19%	36.5	20%	3.1
FOSHU drinks and Foods with Function Claims	26.0	(7%)	22.6	(13%)	(0.9)
Total	442.9	3%	458.0	3%	10.9

* The portions of the sales volume by Japan Beverage Holdings Inc., etc. that were supplied from other soft drink manufacturers are not included in the above figures.

(Additional information) *Updated on November 12, 2018

Along with the filing of quarterly securities report (for the first nine months of the year ending December 31, 2018) to director-general of Kanto Local Finance Bureau on November 12, 2018, the Supplementary Material has been updated with following information included in the filed quarterly security report.

- **(Appendix 1) Condensed quarterly consolidated statement of cash flows**
- **(Appendix 2) Information relating to Business Combinations and Acquisition of Non-controlling Interests**

(Appendix 1) Condensed quarterly consolidated statement of cash flows

	Millions of yen	
	Nine months ended September 30, 2017	Nine months ended September 30, 2018
Cash flows from operating activities		
Profit before tax for the period	89,789	93,057
Depreciation and amortization	47,296	46,814
Impairment losses (reversal of impairment losses)	91	165
Interest and dividends income	(380)	(623)
Interest expense	2,029	1,813
Gain on investments accounted for using the equity method	(464)	(58)
Loss (gain) on sales of shares of subsidiaries	—	(12,038)
(Increase) decrease in inventories	(14,933)	(8,566)
(Increase) decrease in trade and other receivables	(34,662)	(46,995)
Increase (decrease) in trade and other payables	42,865	41,084
Other	(1,486)	(5,181)
Subtotal	130,143	109,472
Interest and dividends received	348	570
Interest paid	(2,332)	(2,173)
Income tax paid	(25,605)	(23,619)
Net cash inflow from operating activities	102,554	84,249
Cash flows from investing activities		
Payments for property, plant and equipment and intangible assets	(41,251)	(40,252)
Proceeds on sale of property, plant and equipment and intangible assets	496	970
Payments for purchase of shares of subsidiaries	—	(26,719)
Proceeds from sales of shares of subsidiaries	—	24,216
Other	368	174
Net cash (outflow) from investing activities	(40,385)	(41,609)
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	11,688	18,341
Proceeds from long-term borrowings	26,642	9,500
Repayments of long-term borrowings	(60,543)	(62,633)
Proceeds from issuance of bonds	—	29,883
Payments of finance lease liabilities	(6,401)	(5,499)
Dividends paid to owners of the Company	(23,483)	(23,793)
Dividends paid to non-controlling interests	(3,228)	(4,042)
Other	374	54
Net cash (outflow) from financing activities	(54,952)	(38,188)
Net increase (decrease) in cash and cash equivalents	7,216	4,450
Cash and cash equivalents at the beginning of the year (Opening balance on the condensed quarterly consolidated statement of financial position)	84,096	113,883
Reclassification of cash and cash equivalents included in assets held for sale in the opening balance	—	3,439
Cash and cash equivalents at beginning of period	84,096	117,322
Effect of exchange rate changes on cash and cash equivalents	317	(107)
Cash and cash equivalents at end of period	91,630	121,665

(Appendix 2) Information relating to Business Combinations and Acquisition of Non-controlling Interests

Nine months ended September 30, 2018
(Acquisition of beverage business in Thailand)

As at March 5, 2018, Suntory Beverage & Food Asia Pte. Ltd., a subsidiary of Suntory Beverage & Food Limited, acquired 51% shares of International Refreshment (Thailand) Co., Ltd., a soft drink operation of PepsiCo, Inc. in Thailand from Pepsi-Cola (Thai) Trading Co., Ltd., a subsidiary of PepsiCo Inc., aiming to expand the soft drink business in Thailand. The company's name after the acquisition is Suntory PepsiCo Beverage (Thailand) Co., Ltd.

The price paid in cash on the date of acquisition was ¥33,551 million (US \$315 million).

Assets acquired and liabilities assumed as at the day of business combinations were as follows.

	Fair value
	Millions of yen
Assets	
Cash and cash equivalents	6,832
Trade and other receivables	5,265
Other current assets	5,275
Total current assets	17,373
Property, plant and equipment	33,049
Intangible assets	19,537
Other non-current assets	359
Total non-current assets	52,945
Total assets	70,319
Liabilities	
Trade and other payables	10,512
Other current liabilities	347
Total current liabilities	10,859
Total non-current liabilities	4,600
Total liabilities	15,459
Net Assets	54,859

Intangible assets were recognized by assessing the fair value of "Exclusive Bottling Appointment", concluded with PepsiCo, Inc. and others. Since the contractual relationship is expected to continue as long as the group continues the business, these intangible assets were deemed to have indefinite useful life.

Goodwill of ¥5,573 million was recorded in association with this transaction. The goodwill reflects the synergies expected to be created through future business expansion. Non-controlling interests of ¥26,881 million were recorded, measured as to reflect the ownership of non-controlling shareholders over the fair value of identifiable net assets of the acquired company.

Cash flow analysis of the share acquisition

	Amount
	Millions of yen
The amount paid in cash and cash equivalents	33,551
Cash and cash equivalents held by the acquired company	(6,832)
Payments for purchase of shares of subsidiaries	26,719

The transaction is translated at the rate on the transaction date.

The acquisition related costs for this business combination were ¥784 million, which was recorded in "Other expenses." Acquisition costs of ¥108 million were accounted for in the nine months ended September 30, 2018, and ¥675 million were accounted for in the year ended December 31, 2017.

Revenue and operating profit of the acquired company after the date of acquisition that was recognized in the condensed quarterly consolidated statement of profit or loss for the reporting period was ¥30,501 million and ¥1,998 million, respectively.

Had this business consolidation taken effect from the beginning of the period, the Group's revenues and operating profit for the nine months ended September 30, 2018 would have been ¥984,023 million and ¥95,443 million, respectively.

(Disposal of the food and instant coffee business)

Cerebos Pacific Limited ("CPL"), a subsidiary of Suntory Beverage & Food Asia Pte. Ltd., (a subsidiary of Suntory Beverage & Food Limited.) completed the transfer of all of the shares of its three subsidiaries operating food and instant coffee business to The Kraft Heinz Company as at March 9, 2018. As a result, the balances recorded in assets held for sale and liabilities directly associated with assets held for sale in the fiscal year ended December 31, 2017 were reduced.

The consideration received by cash at the time of the transfer date was ¥26,285 million (AUD \$313 million), and a gain on transfer of ¥12,038 million was recorded in "Other income" in the nine months ended September 30, 2018. The transaction has been translated into the reporting currency using the exchange rate as at the date transaction was carried out.

Assets and liabilities held by the Group, as well as the reconciliation of considerations received and proceeds from sales of shares over which control was lost were as follows.

	Amount
	Millions of yen
Assets	
Current assets	9,044
Non-current assets	9,345
Liabilities	
Current liabilities	4,275
Non-current liabilities	29
 Cash flow analysis of the sales of shares	
	Amount
	Millions of yen
The consideration received in cash	26,285
Cash and cash equivalents held in the subsidiary as at the transaction date	(2,068)
Proceeds from sales of shares of subsidiaries	<u>24,216</u>

The transaction is translated at the rate on the transaction date.