

Financial Results for Q1 Year Ending December 31, 2019

May 8, 2019
Suntory Beverage & Food Limited

■ Financial Results for Q1, FY2019

	FY2018 Jan - Mar	FY2019 Jan - Mar	(Billions of yen)			
			Change			
			YoY	Currency Neutral	%YoY	Currency Neutral
Revenue	277.1	285.7	+8.6	+12.1	+3.1%	+4.4%
Operating Income	26.6	17.8	-8.8	-8.5	-33.1%	-32.2%
Operating Income (Organic basis*1)	15.4	18.0	+2.6	+2.9	+16.8%	+19.3%
Net Income*2	20.5	10.7	-9.8	-9.5	-47.7%	-47.1%

*1 Excluding factors derived from extraordinary reasons from “Other income” and “Other expenses”

*2 Profit for the year attributable to owners of the Company

■ Financial Results for Q1, FY2019 (by Segment)

(Billions of yen)	Revenue	Change				Segment Profit	Change			
		YoY	Currency Neutral	%YoY	Currency Neutral		YoY	Currency Neutral	%YoY	Currency Neutral
Japan	150.7	+0.2	—	+0.2%	—	6.5	+1.3	—	+24.8%	—
Europe	48.4	-3.4	-0.6	-6.6%	-1.3%	3.9	+0.2	+0.5	+6.0%	+13.2%
Asia	55.5	+11.2	+11.4	+25.2%	+25.8%	7.2	-10.2	-10.2	-58.6%	-58.4%
Organic							+1.1	+1.1	+17.0%	+18.4%
Oceania	12.9	-0.7	+0.2	-4.9%	+1.4%	1.4	-0.1	-0.1	-9.7%	-4.1%
Americas	18.3	+1.3	+0.9	+7.4%	+5.5%	1.5	-0.0	-0.0	-0.4%	-2.2%
Reconciliation	—	—	—	—	—	-2.7	+0.1	+0.0	—	—
Total	285.7	+8.6	+12.1	+3.1%	+4.4%	17.8	-8.8	-8.5	-33.1%	-32.2%
Organic							+2.6	+2.9	+16.8%	+19.3%

(Billions of yen)

Revenue

%YoY

Segment Profit

%YoY

150.7

+0.2%

6.5

+24.8%

- Sales volume increased 2% due to good performance of core brands
 - *Suntory Tennensui* and *BOSS* grew
 - Volume decrease of *Tokucha* and canned coffee *BOSS* moderated as a result of strengthened sales activities
- Profit increased year on year as brand investment was shifted to the second quarter or later to strengthen marketing activities for the peak season



**Establish a high added-value
and profitability business model**

SCM structural innovation

**Reforms of the
vending machine business structure**

(Billions of yen)

Revenue

48.4

%YoY

-6.6%

Currency
Neutral

-1.3%

Segment Profit

3.9

%YoY

+6.0%

Currency
Neutral

+13.2%

Revenue

%YoY

Currency
Neutral

France

(*1)

20.0

-7.6%

-1.7%

Decreased due to sales decline of *Oasis* despite growth of *Orangina* and *MayTea*

UK

(*2)

13.5

-0.7%

+4.2%

Increased due to continued growth for *Lucozade Energy*

Spain

(*3)

8.8

-13.1%

-7.6%

Schweppes struggled due to decline of on-premise tonic market. Recovery is expected to take time.

(*1) France, Belgium (*2) UK, Ireland (*3) Spain, Portugal



(Billions of yen)

Revenue

55.5

%YoY

+25.2%

Currency
Neutral

+25.8%

Segment Profit

7.2

%YoY

-58.6%

Currency
Neutral

-58.4%

Organic

+17.0%

+18.4%

Revenue

%YoY

Currency
NeutralBeverage
(Vietnam)

20.8

+18.9%

+18.9%

Increased significantly due to strong core brands such as the energy drink *Sting* and the RTD tea *TEA+*Beverage*
(Thailand)

16.1

+213.4%

+208.0%

Increased due to strong core brand *Pepsi* and other productsHealth
Supplement

13.4

-3.4%

-3.0%

Essence of Chicken continued to struggle

*Beverage (Thailand): Last year results consist of only one month (Business started operations in March last year)



(Billions of yen)

Oceania

Revenue

12.9

%YoY

-4.9%

Currency
Neutral

+1.4%

Segment Profit

1.4

%YoY

-9.7%

Currency
Neutral

-4.1%

Revenue

9.9

%YoY

-5.8%

Currency
Neutral

+0.4%

Frucor Suntory

Fresh Coffee Business

3.0

-1.9%

+6.4%

Americas

Revenue

18.3

%YoY

+7.4%

Currency
Neutral

+5.5%

Segment Profit

1.5

%YoY

-0.4%

Currency
Neutral

-2.2%

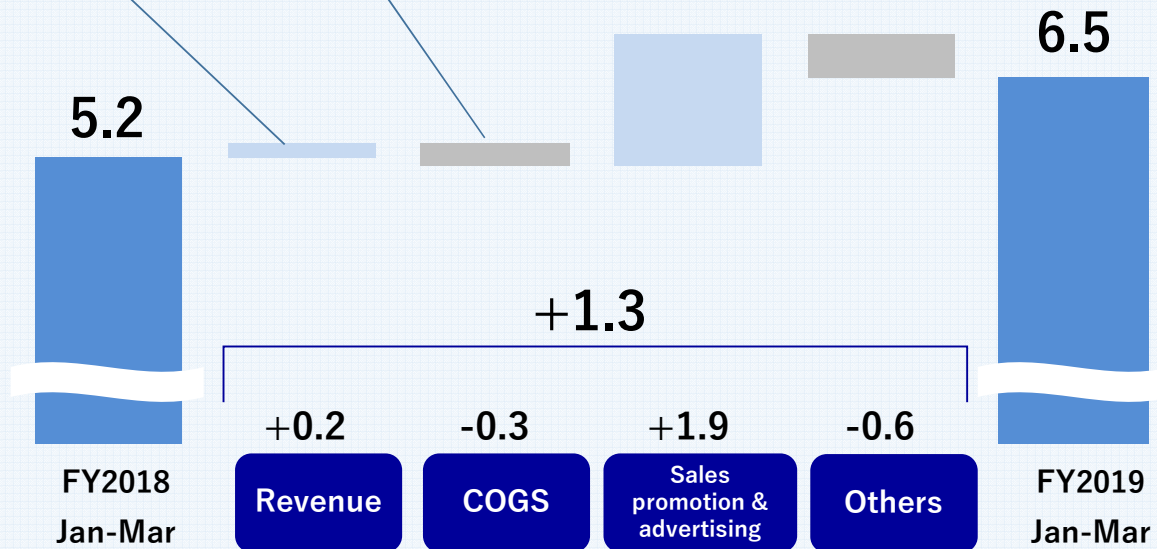
SUNTORY

SUNTORY BEVERAGE & FOOD

(Billions of yen)

- Sales volume change
- Product mix
- Channel mix

- Sales volume change - 1.4
- FX, raw material market price - 0.5
- Activities & product mix + 1.6



Sales Volume of Major Brands

Japan

*On the basis of shipment volumes

(Million cases)	Three months ended March 31, 2018		Three months ended March 31, 2019	
	Actual	Increase (decrease)	Actual	Increase (decrease)
Suntory Tennensui	22.3	8%	23.1	4%
Boss	24.1	6%	25.6	6%
Iyemon	12.0	-6%	11.7	-2%
Suntory Oolong Tea	5.6	7%	5.3	-5%
Pepsi	4.0	-15%	4.0	-2%
Green DAKARA	4.9	21%	5.9	20%
FOSHU drinks and Foods with Function Claims	5.2	-10%	4.9	-5%
Total	93.5	3%	95.4	2%

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

Europe

(Million liters)	Three months ended March 31, 2018		Three months ended March 31, 2019	
	Actual	Increase (decrease)	Actual	Increase (decrease)
Orangina (France)	33	-6%	35	6%
Oasis (France)	62	-1%	61	-2%
Schweppes (Spain, Portugal)	25	-1%	24	-2%
Lucozade (UK, Ireland)	79	-12%	90	14%
Ribena (UK, Ireland)	24	-3%	21	-11%

■ FY2019 Forecast (IFRS)

	(Billions of yen)				
	FY2018 Results	FY2019 Forecast	Change		
			YoY	%YoY	Currency Neutral
Revenue	1,294.3	1,313.0	+18.7	+1.4%	+2.0%
Operating Income	113.6	110.0	-3.6	-3.1%	-2.5%
Operating Income (Organic basis*1)	108.4	111.0	+2.6	+2.4%	+3.0%
Net Income*2	80.0	66.5	-13.5	-16.9%	-16.4%

*1 Excluding factors related to extraordinary reasons such as M&A

*2 Profit for the period attributable to owners of the Company

FY2019 Forecast (IFRS) (by Segment)

(Billions of yen)	Revenue	Change			Segment Profit	Change		
		YoY	%YoY	Currency Neutral		YoY	%YoY	Currency Neutral
Japan	709.0	+0.3	+0.0%	—	53.0	+0.3	+0.6%	—
Europe	245.0	-0.2	-0.1%	+1.3%	31.5	+6.5	+26.1%	+27.9%
Organic					33.0	+2.2	+7.3%	+8.7%
Asia	219.0	+17.9	+8.9%	+9.9%	22.5	-10.8	-32.5%	-31.9%
Organic					22.5	+0.6	+2.9%	+3.7%
Oceania	53.0	-1.2	-2.2%	+1.6%	6.5	+0.1	+2.0%	+4.1%
Americas	87.0	+2.0	+2.3%	+1.8%	8.5	+0.0	+0.1%	-0.4%
Reconciliation	—	—	—	—	-12.0	+0.3	—	—
Total	1,313.0	+18.7	+1.4%	+2.0%	110.0	-3.6	-3.1%	-2.5%
Organic					111.0	+2.6	+2.4%	+3.0%

	FY2018 Jan - Mar	FY2019 Jan - Mar	FY2019 Forecast
U.S. Dollar	108.2	110.2	111
Euro	133.1	125.2	129
British Pound	150.8	143.7	144
Singapore Dollar	82.1	81.4	81
Thai Baht	3.4	3.5	3.4
Vietnam Dong	0.0048	0.0048	0.0048
New Zealand Dollar	78.8	75.1	73
Australian Dollar	85.2	78.5	80

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