

# Financial Results for Q2 Year Ending December 31, 2025

August 7, 2025  
Suntory Beverage & Food Limited

# Overview of First Half FY2025

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Makiko Ono, President & Chief Executive Officer

This is Makiko Ono.

Thank you for taking the time today.

I will present the results of the first half of FY2025, followed by an explanation of our initiatives for the second half.

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## Financial Results for Q2 YTD FY2025

(JPY BN)

	FY2025 Jan-Jun	Change			
		Incl. currency effect		Currency neutral	
		YoY	%YoY	YoY	%YoY
Revenue	806.4	-10.9	-1.3%	-3.6	-0.4%
Operating Income	71.8	-9.1	-11.2%	-8.3	-10.4%
Non-recurring Items	-2.6	-1.5	—	-1.5	—
Operating Income (Organic basis*1)	74.5	-7.6	-9.3%	-6.8	-8.3%
Net Income*2	41.1	-5.4	-11.5%	-4.9	-10.7%

\*1 Extraordinary factors and profit/loss impact from transferred business deducted from operating income

\*2 Profit attributable to owners of the Company

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I will report on the first half results.

Revenue was 806.4 billion yen, down 1.3% year on year, and down 0.4% on a currency neutral basis.

Operating income was 71.8 billion yen, down 11.2% year on year, and down 10.4% on a currency neutral basis.

Operating income on an organic basis excluding non-recurring items was 74.5 billion yen, down 9.3% year on year, and down 8.3% on a currency neutral basis.

Net profit attributable to owners of the Company was 41.1 billion yen, down 11.5% year on year, and down 10.7% on a currency neutral basis.

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**The trend recovered in Q2(Apr-Jun),  
but revenue and profits decreased in 1H overall.**

## Revenue

Revenue decreased due to deteriorating performance in APAC that could not be offset by other segments.

- APAC was below expectations due to macroeconomic sluggishness in Vietnam and Thailand.
- Japan and the Americas were on par with last year, in line with expectations.
- Europe exceeded expectations as a result of effective marketing activities in the UK.

## Operating income (Organic basis)

Operating income decreased due to factors such as a sales decrease in APAC and cost increases in Japan.

- Japan's decrease was due to high raw material and logistics costs, as well as increased marketing investments for future sales growth. This was in line with expectations.
- Europe exceeded expectations as a result of increased revenue and appropriate cost management.

I will explain the key points of our results for the first half of the year.

Overall trends in revenue and profits improved in the second quarter compared to the first, supported by successful marketing activities and favorable weather conditions. However, revenue and profits decreased overall in the first half of the year.

Revenue decreased due to deteriorating performance in the beverage businesses in Vietnam and Thailand that could not be offset by other segments.

Operating income decreased on an organic basis due to factors such as a sales decrease in APAC and increased costs of raw materials and logistics in Japan.

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## Steadily implemented growth initiatives despite a challenging environment.

### Strengthening of core brands

Continued marketing activities from the consumer's perspective.

Strengthened investment despite the tough competitive environment.



(\*) Total of *Iyemon* brand

(\*) Total of *BRAND'S*, Thai domestic only

(\*) UK and Ireland

(\*) Total of *Lucozade*

### Global rollout of strategic categories



New product launches and increased marketing investments



Expanding into new countries, with sales progressing smoothly

<Sales Regions>

APAC	Oceania
Europe	France, UK etc. <sup>(*)</sup>
Americas	USA

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Here is the review on the first half of the year.

In terms of strengthening core brands, we continued marketing activities from the consumer's perspective and increased investment for the future, despite the tough competitive environment.

In Japan, *Iyemon* updated its packaging and content to better align with consumer preferences and needs, and has performed steadily against the plan at the beginning of the year, despite the continued tough competitive environment.

Regarding the global rollout of strategic categories, *BOSS* has performed well in its existing markets, particularly in APAC, driven by the launch of new products and strengthened marketing activities.

In the energy drink category, *CELSIUS* continued entering new markets, and has seen steady sales.

Although the results for the first half of the year were challenging, our growth initiatives are progressing steadily.

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**Actively promoting initiatives to establish infrastructure for future growth.**

**Structural transformation of  
the vending machine business in Japan**

**Cashless payment app “Jihanpi”**

Steady progress in enhancing convenience  
and expanding revenue

	FY2025 target	As of June 2025
- App-enabled vending machines	150k units	<b>160k units</b>
- App downloads	5mil DL	<b>6.5mil DL</b>



**Strategic CAPEX**

**Enhancing production capacity  
and streamlining logistics**



**Donnery, France**  
**New logistics hub**

**Takasago, Japan: New line and logistics warehouse**  
**Saraburi, Thailand: New line**  
**Long An, Vietnam: New plant**

Next, I will discuss the structural transformation of Japan’s vending machine business and strategic capital expenditures.

As part of our initiatives for the vending machine business, we began rolling out the *Jihanpi* cashless payment app for vending machines nationwide in March. It has maintained good momentum and is steadily progressing toward revenue expansion in the vending machine business while improving customer convenience.

In terms of strategic capital expenditures, a new logistics hub began operating in France in June. It features cutting-edge automated equipment, which we intend to use to streamline logistics, enhance our competitiveness, and improve our services.

Additionally, we are actively working to establish infrastructure in Japan and abroad to drive future growth.

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## Initiatives for existing businesses

### Revenue and profit maximization during the peak season

- Active new product launches and strengthened marketing activities in each segment

### Acceleration of recovery initiatives for the beverage business in Vietnam and Thailand

- Implementing effective measures aligned with market dynamics

### Price revisions in Japan (Oct 2025)

## New challenges in strategic categories

### **Production and sales of RTD launched in Australia in July**

### Good start toward FY2025 revenue target of JPY 20BN



Swanbank plant, Australia

Now, I will discuss our initiatives in the second half of the year.

Many regions will enter peak season in the coming days.

As always, we will implement aggressive initiatives to maximize revenue and profits during the peak season in each business.

Additionally, we will prepare and execute effective measures aligned with market dynamics to help the beverage business in Vietnam and Thailand recover as quickly as possible from the ongoing challenging conditions.

Price revisions are planned for October in Japan.

As part of our new challenges in strategic categories, we began production and sales of RTD in the Swanbank plant in Australia in July. We have made a good start toward our FY2025 revenue target of 20 billion yen.

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- Progress in the first half was below expectations due to continued challenges in the business environment in APAC.
- In the second half, an uncertain market environment in Vietnam and Thailand, concerns about global recessions, and dynamics of foreign exchange and interest rates, among other factors, contribute to the business environment with low visibility. On the other hand, we expect an upside from favorable weather conditions in the peak season, price revisions, and effective marketing activities.
- We will maintain our full year guidance and continue striving to achieve it.
- The interim dividend is 60 yen per share, as guided at the beginning of the year.

Lastly, I would like to touch on the full year forecast.

Progress in the first half was below expectations.

We recognize that the business environment ahead will be uncertain, but we are maintaining our full year guidance, which we announced at the beginning of the year, and we will continue striving to achieve it.

The interim dividend is 60 yen per share, as guided at the beginning of the year.

This concludes my presentation.

Okinaka will provide supplementary explanations on the following pages.

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# Supplementary Explanation

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Naoto Okinaka, Senior Managing Executive Officer

This is Naoto Okinaka.

I will now provide supplementary explanations.

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(JPY BN)

Revenue		Change			
		Incl. currency effect		Currency neutral	
		YoY	%YoY	YoY	%YoY
Japan	344.2	0.8	0.2%	-	-
APAC	185.6	-15.5	-7.7%	-12.6	-6.4%
Europe	189.3	6.7	3.7%	8.8	4.9%
Americas	87.3	-1.8	-2.0%	0.6	0.7%
Total	806.4	-9.8	-1.2%	-2.5	-0.3%

Segment Profit					
Japan	18.3	-4.3	-19.0%	-	-
APAC	24.7	-3.4	-12.3%	-3.2	-11.4%
Europe	32.4	4.2	15.0%	4.5	16.2%
Americas	10.4	-0.6	-5.9%	-0.4	-3.3%
Reconciliation	-11.2	-3.4		-3.5	
Total	74.5	-7.6	-9.3%	-6.8	-8.3%

Organic basis: Revenue excludes revenue from transferred business. Segment profit excludes extraordinary factors and profit/loss impact from transferred business.

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Here is our performance by segment.

From here on, segment descriptions will be on an organic basis, excluding non-recurring items, and on a currency neutral basis.

Revenue remained largely unchanged in Japan and the Americas, increased in Europe, and decreased in APAC compared to the same period last year.

Segment profit decreased in all regions except Europe.

Japan's results were impacted by the higher costs of raw materials and logistics, in addition to the effects of our aggressive marketing investments.

Overseas, in Europe, our marketing efforts yielded positive results in the UK. On the other hand, in APAC, the beverage business in Vietnam and Thailand was impacted by sluggish macroeconomic conditions.

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## Quarterly Revenue Growth Rate – Organic basis

(Currency neutral basis)					(Currency neutral basis)				
By Segment					Breakdown of APAC and Europe				
FY2024		FY2025			FY2024		FY2025		
1Q	2Q	1Q	2Q		1Q	2Q	1Q	2Q	
<b>Japan</b>	5%	4%	-0%	1%	<b>APAC</b>				
<b>APAC</b>	5%	7%	-6%	-6%	Vietnam	1%	7%	-12%	-11%
<b>Europe</b>	0%	-4%	-1%	10%	Thailand, beverage	15%	8%	-8%	-10%
<b>Americas</b>	8%	6%	0%	1%	Health supplement (*1)	5%	23%	2%	-2%
<b>Total</b>	4%	3%	-2%	1%	Oceania	2%	3%	3%	9%
					<b>Europe</b>				
					France	2%	-3%	-3%	4%
					UK (*2)	-2%	-14%	5%	27%
					Spain (*3)	-4%	2%	-8%	0%

Organic basis: Revenue excludes revenue from transferred business.  
Segment profit excludes extraordinary factors and profit/loss impact from transferred business.  
(\*1) Health Supplement results consist of Thailand and Indochina Peninsula (\*2) UK and Ireland (\*3) Spain and Portugal

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Next, I will discuss the quarterly revenue growth rate.

As Ono mentioned earlier, trends improved in the second quarter compared to the first driven by successful marketing activities, particularly in Europe, and favorable weather conditions.

Growth rates in the beverage business in Vietnam and Thailand continue to face challenges, but growth rates in Europe, particularly in the UK, have improved more than expected. This is due to a rebound from last year's low production utilization rate and effective marketing, both of which have contributed to the overall growth rate.

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(JPY BN)

Revenue	%YoY		Segment Profit	%YoY	
	Incl. currency effect	Currency neutral		Incl. currency effect	Currency neutral
344.2 BN	0.2%	—	18.3 BN	-19.0%	—

- Beverage market sales volume was estimated at 98% of last year, while SBF marked 96%. Despite a year-on-year decline due to price revisions and the reaction to the previous year's good weather, progress was in line with expectations.
- Revenue was in line with last year, as price revisions, focused brand and channel activities and mix improvements contributed as expected.
- Segment profit decreased due to the impact of higher raw material and logistics costs and aggressive marketing activities, despite the benefits of price revisions and mix improvements.

Organic basis: Revenue excludes revenue from transferred business. Segment profit excludes extraordinary factors and profit/loss impact from transferred business.



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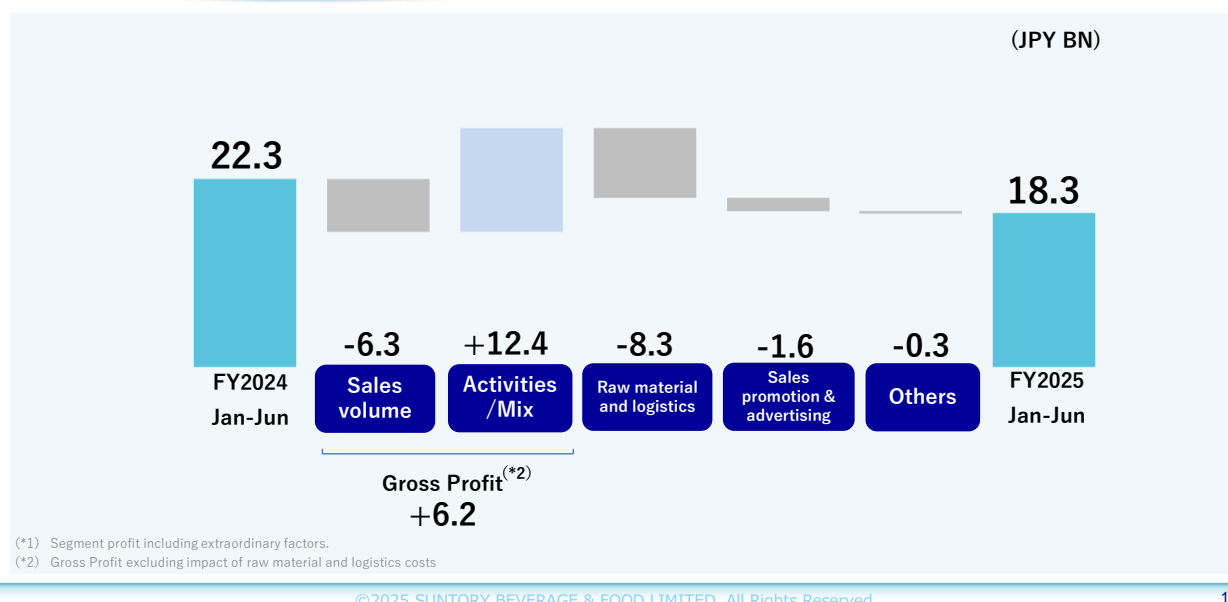
From here on, I will explain the first half results by segment.

First, Japan.

Revenue was 344.2 billion yen. Segment profit was 18.3 billion yen.

- We estimate the sales volume in the beverage market was 2% down year on year, due to the impact of price revisions.
- Our sales volume was in line with our expectations, although it was lower than the same period last year due to price revisions and the reaction to the previous year's good weather.
- Revenue was in line with last year, as factors such as price revisions and mix improvements contributed as expected.
- Segment profit decreased due to the impact of higher raw material and logistics costs and aggressive marketing activities.

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I will discuss the factors that contributed to the increase or decrease in Japan's segment profit.

- Segment profit was 18.3 billion yen, down 4.1 billion yen year on year.
- Sales volume decreased mainly due to price revisions, which had a negative impact of 6.3 billion yen.
- Activities and mix had a positive impact of 12.4 billion yen, driven by price revision effects and mix improvements.
- Raw material and logistics costs had a negative impact of 8.3 billion yen. Higher coffee bean and logistics costs significantly impacted profit, though this was partially offset by price revisions and other factors.
- Sales promotion and advertising expenses had a negative impact in the first quarter due to aggressive brand investments in *Iyemon* and *BOSS*. However, cost management in the second quarter helped mitigate the effect, resulting in a total negative impact of 1.6 billion yen for the first half.

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(JPY BN)

	Revenue	%YoY		Segment Profit	%YoY	
		Incl. currency effect	Currency neutral		Incl. currency effect	Currency neutral
	<b>185.6</b> BN	-7.7%	-6.4%	<b>24.7</b> BN	-12.3%	-11.4%
	Revenue	%YoY				
		Incl. currency effect	Currency neutral			
Beverage (Vietnam)	<b>67.6</b> BN	-16.0%	-11.2%	Sales volume decreased due to sluggish consumption in the overall beverage market and delays in clearing inventory for the Lunar New Year.		
Beverage (Thailand)	<b>53.0</b>	-4.2%	-9.0%	Sales volume decreased due to sluggish consumption in the overall beverage market caused by low temperatures, an early rainy season and a decrease in foreign tourists.		
Health Supplement <sup>(*)</sup>	<b>19.2</b>	5.1%	-0.1%	Solid sales in the Thai domestic market, but on par with last year due to some shipping delays.		
Beverage (Oceania)	<b>35.4</b>	-1.2%	5.8%	The energy category market is brisk, and growth of <i>V</i> outpaced the market.		

(\*) Health Supplement results consist of Thailand and Indochina Peninsula

Organic basis: Revenue excludes revenue from transferred business. Segment profit excludes extraordinary factors and profit/loss impact from transferred business.



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Asia Pacific.

Revenue was 185.6 billion yen. Segment profit was 24.7 billion yen.

- Revenue decreased due to a decline in sales volume in the beverage business in Vietnam and Thailand, despite solid performances in the beverage business in Oceania and the health supplement business in Thailand.
- Segment profit decreased due to a decrease in revenue.
- The overall beverage market in Vietnam and Thailand faced weak consumption due to macroeconomic sluggishness and other external factors.
- In addition, the beverage business in Vietnam was affected by tougher competition and delays in clearing inventory for the Lunar New Year.
- The health supplement business remained at the same level as last year, supported by solid sales volume of both *BRAND'S Essence of Chicken* and *BRAND'S Bird's Nest*.
- Revenue increased in Oceania, supported by growth in the overall beverage market. Our performance outpaced the market, driven by effective marketing for *V*, as well as particularly strong momentum in the energy category.

Please turn to page 15.

(JPY BN)

Revenue	%YoY		Segment Profit	%YoY	
	Incl. currency effect	Currency neutral		Incl. currency effect	Currency neutral
189.3 BN	3.7%	4.9%	32.4 BN	15.0%	16.2%

Revenue	%YoY	
	Incl. currency effect	Currency neutral

France 69.1 BN -0.7% 0.9%

Sales volume decreased due to the impact of a sugar tax increase, but revenue increased with higher selling prices.

UK (\*1) 58.5 16.3% 16.7%

Rebound from low production capacity utilization last year, strength in the energy and sport category market, and effective marketing activities resulted in growth outpacing the market.

Spain (\*2) 31.2 -4.5% -3.0%

Revenue decreased as other brands have not yet fully offset the impact of the decline in the on-premise tonic market.

(\*1) UK and Ireland (\*2) Spain and Portugal

Organic basis: Revenue excludes revenue from transferred business. Segment profit excludes extraordinary factors and profit/loss impact from transferred business.



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Europe.

Revenue was 189.3 billion yen. Segment profit was 32.4 billion yen.

- Revenue increased, driven primarily by the UK.
- Segment profit increased driven by an increase in revenue, timing delays in marketing investments, and strict cost management.
- Despite lower sales volume than the same period last year, France increased its revenue due to higher selling prices in line with the sugar tax hike in March.
- The UK's revenue increased by a rebound from the low production capacity utilization rate last year. In addition, growth in the overall energy and sport category market and *Lucozade's* successful and effective marketing led to faster sales growth than the market.
- Spain saw a decline in revenue, despite strengthened marketing activities in the off-premise market and the positive effects of favorable weather, as it couldn't yet fully offset the downturn in the on-premise tonic market.
- The second half of the year in the UK will be challenging due to the high hurdles set in the previous year. However, we will continue our efforts to exceed last year's growth.

Please turn to page 16.

(JPY BN)

Revenue

87.3 BN

%YoY

Incl.  
currency  
effect

-2.0%

Currency  
neutral

0.7%

Segment  
Profit

10.4 BN

%YoY

Incl.  
currency  
effect

-5.9%

Currency  
neutral

-3.3%

- Sales volume was at the same level as last year for carbonated category (*PEPSI*). Non-carbonated category declined in sales volume due to tougher competition.
- Revenue was largely unchanged from the same period last year due to sustained sales volume and RGM activities including price revisions.<sup>(\*)</sup>
- Segment profit decreased due to the impact of rising logistics and labor costs.



(\*) RGM (Revenue growth management): Pricing, pack price architecture, mix management, etc.

Organic basis: Revenue excludes revenue from transferred business.

Segment profit excludes extraordinary factors and profit/loss impact from transferred business.

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The Americas.

Revenue was 87.3 billion yen. Segment profit was 10.4 billion yen.

- Sales volume trended positively in the carbonated category, primarily *PEPSI*. The non-carbonated category declined in sales volume due to tougher competition.
- Revenue was largely unchanged from last year due to RGM activities including price revisions.
- Segment profit decreased due to the impact of higher production and labor costs.

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	Vietnam	Beverage, Thailand
Market conditions	<ul style="list-style-type: none"> <li>• Consumer sentiment cooled due to government layoffs resulting from administrative reforms, the US reciprocal tariffs, weather conditions, and other factors.</li> </ul>	<ul style="list-style-type: none"> <li>• Consumer sentiment cooled due to decrease in outing occasions caused by weather factors, etc. and decrease in foreign tourists. (Particularly significant impact on the carbonated category.)</li> </ul>
Our situations	<ul style="list-style-type: none"> <li>• Delay in clearing the inventory for the Lunar New Year.</li> <li>• Tougher competition due to the entry of local players.</li> <li>• Structural changes driven by the growth of supermarket and CVS channels.</li> </ul>	<ul style="list-style-type: none"> <li>• The carbonated category market, which is our mainstay, is below the previous year's level, but we are maintaining our market share.</li> <li>• Lack of competitive brands in the growth categories (coffee and energy)</li> </ul>
Actions for recovery	<ul style="list-style-type: none"> <li>• More promotion and marketing activities in the carbonated and tea categories beyond the original plan.</li> <li>• Establish an organization that can adapt to the evolving market and channel structures.</li> <li>• Refine KPIs for sales activities.</li> </ul>	<ul style="list-style-type: none"> <li>• More promotion and marketing activities in the carbonated and tea categories in addition to the original plan.</li> <li>• Gain market share by launching new products in the carbonated category.</li> <li>• Expand product portfolio in the growth categories.</li> </ul>

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I would like to provide additional information about the beverage business in Vietnam and Thailand.

We expected both of them to lead this fiscal year's performance, but extremely difficult conditions continue due to weaker consumption caused by macroeconomic sluggishness, weather factors, etc.

As an immediate action, we will implement additional measures beyond the original plan, such as sales promotions for cola products and marketing investments for *TEA+*.

We will also review and implement necessary changes to our organizational structure and KPIs to address underlying structural issues.

In Thailand, although we are maintaining our share of the carbonated category market, which is our mainstay, the market itself has shrunk significantly. As in Vietnam, we will implement additional marketing activities to gain more market share.

At the same time, we believe it is necessary to expand and strengthen our product portfolio in growth categories to address the lack of competitive brands.

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	Upside opportunities	Downside risks
Japan	<ul style="list-style-type: none"> <li>Favorable weather conditions in the peak season</li> <li>Price revisions in October and beyond</li> </ul>	<ul style="list-style-type: none"> <li>Higher costs of coffee beans, logistics, etc.</li> <li>Decline in consumption demand after price revisions</li> </ul>
APAC	<ul style="list-style-type: none"> <li>Growth acceleration in the energy category in Oceania</li> </ul>	<ul style="list-style-type: none"> <li>Persistent macroeconomic sluggishness in Vietnam and Thailand</li> </ul>
Europe	<ul style="list-style-type: none"> <li>Favorable weather conditions in the peak season</li> </ul>	<ul style="list-style-type: none"> <li>Decline in demand due to sugar tax in France</li> </ul>
Americas	<ul style="list-style-type: none"> <li>Start of sales of new products</li> </ul>	<ul style="list-style-type: none"> <li>Higher procurement costs due to increased tariffs</li> </ul>

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I would like to wrap up by reiterating the outlook for the second half of the year.

Each segment is expected to have various upside opportunities and downside risks.

We recognize that the future business environment will be uncertain, including trends in the macroeconomy and foreign exchange, but we are maintaining our full year guidance and we will continue striving to achieve it.

We stay focused on maximizing revenue and profits by launching new products and strengthening marketing activities based on *Seikatsusha's* perspectives in each region, as well as our deeper understanding of the market.

This concludes my presentation. Thank you.

# **SUNTORY**

## **SUNTORY BEVERAGE & FOOD**

Reference materials are disclosed separately on the website of Suntory Beverage & Food Limited.  
Please refer to the following URL.

URL :

(Japanese website) [https://www.suntory.co.jp/softdrink/ir/library\\_earnings/](https://www.suntory.co.jp/softdrink/ir/library_earnings/)

(English website) [https://www.suntory.com/softdrink/ir/library\\_earnings/](https://www.suntory.com/softdrink/ir/library_earnings/)

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