

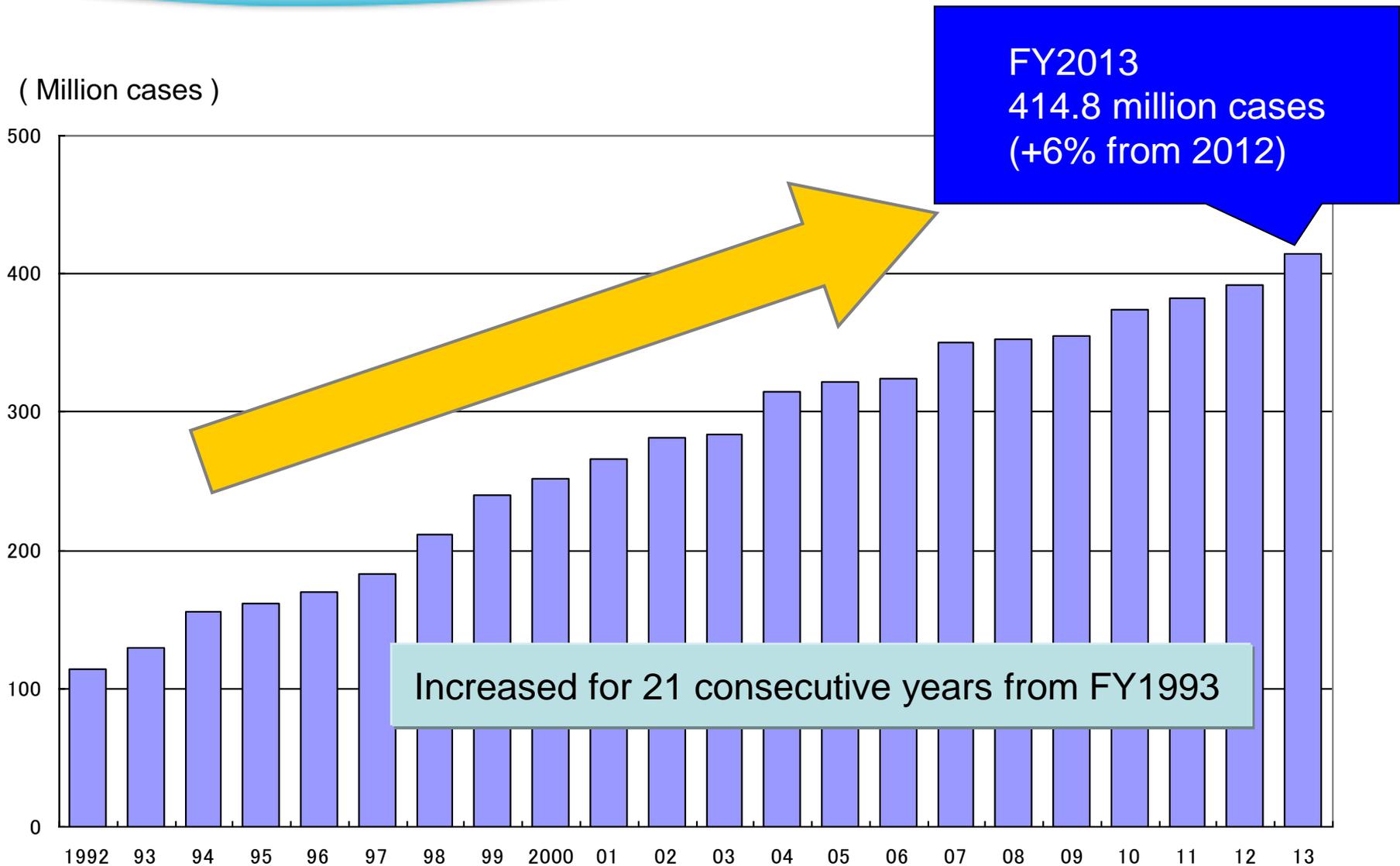
# 2014 Strategy for Key Brands in Japan

January 20, 2014

Suntory Beverage & Food Limited (SBF)



# Transition of SBF Sales Volume in Japan



# 2013 Results for Key Brands in Japan

<Sales Volume> ( Million cases )

	<b>FY2013</b>	<b>Change (YoY)</b>
<i>Suntory Natural Mineral Water</i>	74.9	+18%
<i>BOSS</i>	83.0	+2%
<i>Iyemon</i>	52.1	+8%
<i>Pepsi</i>	30.4	+5%
<i>Suntory Oolong Tea</i>	32.6	-2%
<i>GREEN DAKARA</i>	19.5	+95%
<i>Orangina</i>	9.0	+0%
<b>FOSHU soft drinks</b>	<b>16.9</b>	<b>+58%</b>
<b>Total</b>	<b>414.8</b>	<b>+6%</b>

# 2014 Strategy for Key Brands in Japan

## In Harmony with People and Nature

Strengthening and Cultivation  
of Core Brands

*Suntory Natural Mineral Water*  
*BOSS*  
*Iyemon*  
*Pepsi*  
*Suntory Oolong Tea*  
*GREEN DAKARA*  
*Orangina*

Creating New Demand

- Establish an even stronger market position in FOSHU category with high added value
- Develop new products that adequately reflect the needs of consumers



# Brand Strategy : *Suntory Natural Mineral Water*

“Clear & tasty” and “natural & healthy”

## Natural Mineral Water

Strengthen association with  
“Suntory, Bringing Water to Life”



<Top surface of  
the cap>

水と生きる  
SUNTORY

## Sparkling Water

Create new demand in  
sparkling water market by  
expanding customer base



## Flavored Water

Planned product launch from  
*Suntory Natural Mineral Water*  
brand

New  
Product



Natural mineral water born from the rich nature of  
the Southern Alps (water resource)



# Brand Strategy : BOSS

Reinforce “BOSS” brand and challenge to cultivate new growth areas

Thorough brand strengthening and cultivation in existing areas



New Product

Further reinforcing of the four core products

Develop as another core

FOSHU coffee



Differentiation by added value

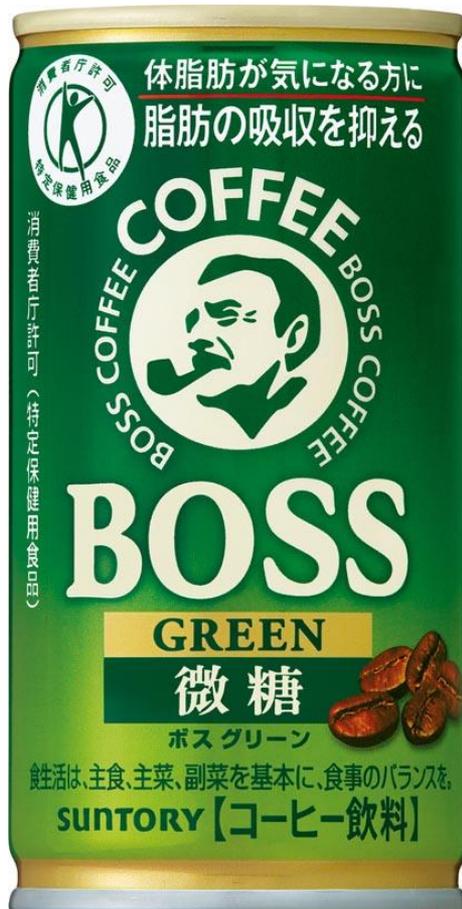
Bottled products



Become No.1 in the growing category

# BOSS Green (FOSHU)

Goes on Sale on January 21



## ● Concept

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A delicious, FOSHU canned coffee from BOSS that helps prevent fat absorption from meals

## ● Package and suggested retail price

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185 g can, 136 yen (before tax)

## ● TV Commercials

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Commercials begin broadcasting from January 21

# Brand Strategy : Iyemon

Focus on “2 core brands (*Iyemon* + *Zeitaku Reicha*) + 1 (*Iyemon Tokucha*)”

## <*Iyemon*>

Deep, rich flavor made from stone-ground green tea leaves



## <*Zeitaku Reicha*>

The refreshing aroma of cold-brew green tea



## <*Iyemon Tokucha*>

Generates new value for *Iyemon* in terms of both taste and sense of efficacy



# Brand Strategy : Pepsi

*Pepsi Nex* : Major renewal  
*Pepsi Special* : Strengthen the appeal of its efficacy

## <Pepsi Nex>

Become No.1 in zero-calorie cola category through unrivaled taste

The tastiest cola in all of Pepsi history



- ◆ Product:  
Reduced aftertaste through use of a plant-derived sweetener (stevia)
- ◆ Sales promotion:  
Offer consumers many more opportunities to experience its new flavor

## <Pepsi Special>

Become the absolute No.1 FOSHU cola through taste and sense of efficacy

The best-selling FOSHU cola

Note: INTAGE MBI data from November 2012 to October 2013  
(Supermarkets, convenience stores, drug stores)



- ◆ Product:  
In addition to helping resist fat absorption, it has zero calories
- ◆ Advertising:  
Promote its efficacy by strengthening its association with meals

# Brand Strategy : Suntory Oolong Tea

Appealing through product, advertising and storefront as an integrated process  
**a healthy tea compatible with meals**

## New Creative TVCM/advertisement

Coming soon

Promoting **compatibility with meal**

## Web

Coming soon

Raising SNS awareness through **campaign on website** geared toward advertising

## Product

Starting the end of February **12 packs**

**Instant-win campaign**



## Storefront



Promoting **compatibility with meal and product's function**

# Brand Strategy : GREEN DAKARA

Offering enlightenment on the importance of staying hydrated in day-to-day living



## Expand customer base

- Deepening its already strong relationship with 20-40 year olds (mothers and children)
- Focusing on seniors with high consumption

## Expand drinking opportunities

- Strengthening its appeal as the product that helps prevent from heatstroke in summer
- Creating demand by appealing as dehydration countermeasure beverage in winter

# Brand Strategy : Orangina

Challenge to achieve annual sales of 10 million cases



## Expand customer base

Increase customers by proposing new occasions to drink, such as during a party (launch of new container size)

## Present drinking opportunities

Offer chances to experience the taste by creating more tasting and sampling events

# Category Strategy : FOSHU Soft Drinks

Utilize our comprehensive strengths in reinforcing product lineup, expanding product categories and cross-brand promotion

Expand product lineup and categories

RTD Tea

Cola

Coffee

?



Suntory  
Black  
Oolong Tea



Goma  
Mugicha



Iyemon  
Tokucha



Pepsi  
Special



BOSS  
Green

New  
product

Cross-brand  
sales campaign



# Creating New Demand



Offering new products and new value  
that is appealing to customers

# 2014 Plan for Key Brands in Japan

<Sales Volume>

( Million cases )

	<b>FY2014</b>	<b>Change (yoy)</b>
<i>Suntory Natural Mineral Water</i>	79.3	+6%
<i>BOSS</i>	84.0	+1%
<i>Iyemon</i>	58.1	+12%
<i>Pepsi-Cola</i>	32.3	+6%
<i>Suntory Oolong Tea</i>	32.6	+0%
<i>GREEN DAKARA</i>	26.1	+34%
<i>Orangina</i>	10.8	+20%
FOSHU soft drinks	25.3	+50%
<b>Total</b>	<b>428.7</b>	<b>+3%</b>