

**Suntory Holdings Limited**

February 15, 2019

**SUMMARY OF CONSOLIDATED FINANCIAL STATEMENTS AS OF  
DECEMBER 31, 2018 [IFRS] (English Translation, UNAUDITED)**

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(Fractions of millions have been truncated)

**1. Consolidated operating results and financial positions for the fiscal year  
(January 1, 2018 - December 31, 2018)**

(1) Operating results (% figures represent change from the same period of the previous fiscal year)

Fiscal year ended	Revenue (including excise taxes)		Revenue (excluding excise taxes)		Operating income		Profit before income taxes		Profit for the year		Profit attributable to owners of the Company	
	¥million	%	¥million	%	¥million	%	¥million	%	¥million	%	¥million	%
December 31, 2018	2,517,258	4.0	2,250,782	4.3	250,859	(1.1)	232,347	2.4	181,387	(28.0)	140,151	(33.7)
December 31, 2017	2,420,286	2.6	2,157,531	2.7	253,639	0.3	226,890	1.4	251,846	13.0	211,448	13.9

Reference: Adjusted operating income for the fiscal year ending December 31, 2018 250,955 ¥million (1.8) %

Adjusted operating income for the fiscal year ending December 31, 2017 255,445 ¥million 3.2 %

Adjusted operating income was calculated as operating income excluding non-recurring items.

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Profit ratio to equity attributable to owners of the Company	Profit before income taxes ratio to total assets	Operating income ratio to revenue (excluding excise taxes)
December 31, 2018	¥ 204 .39	¥ —	% 11.3	% 5.2	% 11.1
December 31, 2017	¥ 308 .63	¥ —	% 19.5	% 5.0	% 11.8

**(2) Financial positions**

Fiscal year ended	Total assets	Total equity	Equity attributable to owners of the Company	Equity attributable to owners of the Company ratio	Equity per share attributable to owners of the Company
December 31, 2018	¥million 4,421,864	¥million 1,651,689	¥million 1,272,770	% 28.8	¥ 1,856.01
December 31, 2017	¥million 4,579,576	¥million 1,545,713	¥million 1,204,747	% 26.3	¥ 1,757.07

**(3) Cash flows**

Fiscal year ended	Operating activities	Investing activities	Financing activities	Cash and cash equivalents at the end of the year
December 31, 2018	¥million 250,384	¥million (104,196)	¥million (232,938)	¥million 272,425
December 31, 2017	¥million 261,703	¥million (80,049)	¥million (172,042)	¥million 359,518

**2. Dividends**

Fiscal year ended	Dividends per share (Annual)	Total cash dividends (Annual)	Dividend payout ratio (Consolidated)	Ratio of dividends to equity attributable to owner of the Company
December 31, 2018	Yen 13 .00	Millions of yen 8,914	% 6.4	% 0.7
December 31, 2017	Yen 13 .00	Millions of yen 8,913	% 4.2	% 0.8

**3. Consolidated earnings forecast for the fiscal year ending December 31, 2019  
(January 1, 2019 - December 31, 2019)**

	Revenue (including excise taxes)		Revenue (excluding excise taxes)		Operating income		Profit before income taxes		Profit attributable to owners of the Company		Basic earnings per share
	¥million	%	¥million	%	¥million	%	¥million	%	¥million	%	¥
Fiscal year ended December 31, 2019	2,570,000	2.1	2,300,000	2.2	251,000	0.1	230,000	(1.0)	123,000	(12.2)	179 .36

Reference: Adjusted operating income for the fiscal year ending December 31, 2019      254,000 ¥million      1.2 %

## Operating Results

### 1. Overview of the Twelve-Month Period Ended December 31, 2018

The Suntory Group has actively expanded business in each of three segments, “Non-Alcoholic Beverages and Food,” “Alcoholic Beverages,” and “Other Businesses,” both domestically and abroad. In the fiscal year under review, revenue (excluding excise taxes) grew by 4.3% over the same period of the previous year to 2.2508 trillion yen, while revenue (including excise taxes) came to 2.5173 trillion yen, an increase of 4.0% from the same period of the previous year. Operating income fell by 1.1% to 250.9 billion yen, and profit attributable to owners of the Company was 140.2 billion yen (down 33.7% over the same period of the previous year).

#### <Non-Alcoholic Beverages and Food Segment>

Suntory Beverage & Food Limited focused on strengthening brands and creating new demand with the aim of proposing unique, high-quality products that capture the customer's tastes and needs to further enrich customer lifestyles, as well as improving product quality of the entire Group.

In Japan, the Company aimed to create new demand by offering products with new value and by strengthening core brands, mainly in the categories of water, coffee and sugar-free tea, resulting in sales volume exceeding the level of the same period of the previous year. *Suntory Tennensui* flagship mineral water products remained strong, while sales of *Suntory Minami-Alps Tennensui Sparkling* series also grew substantially, and operating volume for the brand as a whole significantly exceeded the level of the same period of the previous year. As a result, *Tennensui* became the number one brand\*1 in the domestic soft drinks market in terms of annual sales volume in 2018. In the *BOSS* brand, we continued to actively expand marketing initiatives for canned coffee. *Craft BOSS* continued to be well-received by customers, and the annual sales volume for the brand as a whole surpassed 100 million cases. In the sugar-free tea category, overall sales of the *Iyemon* brand fell short of where they were the same period of the previous year due to the decline in *Tokucha*, but the *Green DAKARA Yasashii Mugicha* sales volume increased substantially.

In Europe, the Company aggressively invested in marketing, primarily for flagship brands. In France, in addition to year-on-year growth in sales volumes for *Orangina* and *Oasis*, *MayTea* sales were also strong. In the United Kingdom, the sales volume for *Lucozade* exceeded the level of the same period of the previous year. In Spain, the Company worked to expand the number of *Schweppes* consumer contact points, but sales volumes for the brand fell below the

level of the same period of the previous year.

In Asia, the Company worked to expand sales of flagship brands in key areas. In the soft drinks business, sales exceeded the same period of the previous year in Vietnam owing to strong sales of *Sting* energy drink as well as growth recorded for *TEA+*, *Aquafina* bottled water, carbonated beverages, and others. Additionally, the joint venture with PepsiCo, Inc. in Thailand launched its business. In the health food business, sales fell short of where they were the same period of the previous year despite stronger marketing efforts in the core market of Thailand.

In Oceania, the Group worked primarily to strengthen flagship brands. In the Frucor Suntory Group, energy drinks such as *V* put in strong performances. In the fresh coffee business, the Company continued its efforts to strengthen flagship brands such as *TOBY'S ESTATE*, *L'AFFARE* and *Mocopan*.

In the United States, flagship carbonated beverage brands continued to struggle, but there were signs of recovery.

\*1. Based on results of survey by the beverage research institute Inryo Soken

As a result of the above, revenue for the Non-Alcoholic Beverages and Food Segment increased 4.9% year on year to 1.2866 trillion yen, while operating income decreased by 2.5% to 135.3 billion yen.

<Alcoholic Beverages Segment> The revenue figures for the Alcoholic Beverages Segment exclude excise taxes.

Full-year comparable revenue for Beam Suntory Inc. increased at a mid-single-digit rate, driven by share gains in the United States and Japan, the company's two largest markets. Full-year sales grew at a mid-single-digit rate in the United States and Oceania, a high-single-digit rate in Europe, and a double-digit rate in India, Southeast Asia and China. The company's Japan business (Suntory Spirits Limited) delivered 3% year-on-year sales growth.

*Jim Beam* bourbon continued its strong momentum with high-single-digit global volume growth, exceeding 10 million cases sold in 2018. *Maker's Mark* grew volume at a double-digit rate, surpassing two million cases sold for the first time. High-single-digit growth for *Courvoisier* cognac and *Canadian Club* whisky, plus double-digit gains for premium brands including *Hornitos* tequila, *Basil Hayden's* bourbon and *Sipmsith* gin added to the company's performance. *ROKU* Japanese Craft Gin, jointly developed in the United States and Japan, was rolled out to 31 countries and territories and inspired strong sales.

In Japan, whisky delivered strong growth, driven by strategic brands *Kakubin*, *Jim Beam*, *Torlys* and *Maker's Mark*. RTD beverage sales volume grew by 10% year on year, owing to strong performance by *-196°C Strong Zero*, which consumers are increasingly pairing with

food, and canned highball products. Additionally, the company created new demand through new products such as *Kodawari Sakaba no Lemon Sour no Moto*, which allows consumers to enjoy an authentic lemon sour cocktail conveniently at home.

With the overall beer-type beverage market\*<sup>2</sup> estimated to be falling by around 4% year on year, Suntory Beer Ltd. sold 69.93 million cases\*<sup>3</sup>, down 2% year on year, outperforming the trend for the market as a whole. The company's market share for beer excluding alcohol-free beer-type beverages reached 16.0% (on a taxable volume basis).

The *Premium Malt's* brand sold 17.11 million cases, exceeding the number from the same period of the previous year, owing to bold development of the "Creamy foam" promotion focused on the value of foam, which is unique to beer. This was despite predictions for the beer market to fall around 6% year on year.

With regard to new genre products, the Company conducted proactive marketing, primarily for the *Kinmugi* brand, selling 41.92 million cases.

Sales in the *All-Free* brand were favorable, up 2% over the same period of the previous year. Contributing to this was the major renewal of the flavor, packaging, and communication of the core *All-Free* product.

\*2. Beer, including alcohol-free beer-type beverages, on a volume basis

\*3. Converted to large bottles (1 case = 633ml × 20 bottles)

Suntory Wine International Limited's revenue rose 5% year on year. Following in the footsteps of *Sankaboshizai Mutenka no Oishii Wine*, the number one selling brand\*<sup>4</sup> of domestic wine, *Delica Maison* wine also achieved sales of 1 million cases. Additionally, sales of Japanese wine made entirely from grapes grown in Japan grew significantly. At the International Wine Challenge held in May 2018, *Tomi Red 2013* won the highest award of Trophy in the Japanese wine (red) category

\*4. Research by SRI: Japanese wine market sales volume and amount January-December 2018 (nationwide total for supermarkets, convenience stores, discount liquor stores, home improvement stores, drugstores, ordinary liquor stores, and liquor wholesalers)

As a result of the above, revenue (excluding excise taxes) for the Alcoholic Beverages Segment were 749.4 billion yen, up 3.7% year on year, revenue (including excise taxes) came to 1.0159 trillion yen (up 3.1% year on year), and operating income was 133 billion yen (up 4.8% year on year).

<Other Businesses Segment>

For Suntory Wellness Limited, the *Sesamin* series and other products posted strong revenue, growing 7% year on year. The restaurant business grew, including DYNAC HOJDINGS CORPORATION and PRONTO CORPORATION.

Revenue for the Other Businesses Segment was 214.8 billion yen, up 3.0% year on year, and operating income was 25.4 billion, down 2.0% year on year.

Additionally, breakdown between domestic and overseas revenues was as follows.

Revenue (excluding excise taxes)

Domestic: 1.3063 trillion yen (up 2.5% year on year)

Overseas: 944.5 billion yen (up 7% year on year)

Overseas ratio: 42.0%

Revenue (including excise taxes)

Domestic: 1.4981 trillion yen (up 2.1% year on year)

Overseas: 1.0191 trillion yen (up 6.9% year on year)

Overseas ratio: 40.5%

Since our very inception, Suntory has aggressively pursued its interests while also putting forth initiatives to contribute to culture and society and implement environmental activities based on Suntory's founding spirit of "Sharing the Profit with Society." In addition, the Group has made the promise to society of "Mizu To Ikiru" (literally "living with water"), and aims to develop various activities while maintaining a harmonious coexistence between society and nature.

We are also actively involved in support for reconstruction after natural disasters. Our reconstruction support activities for the Great East Japan Earthquake have now reached a cumulative total of around 10.8 billion yen, while the same activities for the Kumamoto Earthquake have reached a cumulative total of 400 million yen. Furthermore, the Company has disbursed a total of 900 million yen in donations to the three prefectures of Okayama, Hiroshima and Ehime that suffered damage in the July 2018 torrential rains.

As for our environmental activities, the Suntory Okudaisen Mineral Water Plant obtained Alliance for Water Stewardship certification<sup>\*5</sup>, a first in Japan. This was in recognition of our Suntory Natural Water Sanctuaries activities, efforts to save water and manage water quality, partnerships with stakeholders, and appropriate disclosure of information based on the Suntory Group's Sustainable Water Philosophy. We are also promoting activities globally that address local topics, such as an education program on water for the next generation in Vietnam, and

water source conservation activities in the United States and France. Furthermore, based on our unique 2R+B strategy<sup>\*6</sup> for PET bottle development, the Group is working on lighter packaging materials as well as the continuation of its activities to reduce the burden on the environment, such as by the use of FtoP Direct Recycle Technology<sup>\*7</sup>, the first of its kind in the domestic beverage industry. Moreover, we have established a medium-term target of switching to recycled PET material in at least half of all our plastic bottles by 2025 in our domestic soft drinks business.

\*5. A certification related to sustainable water use applying to plants around the world. The purpose is to promote water conservation and stewardship.

\*6. 2R+B is short for “Reduce/Recycle + Bio.” It is our approach of substituting recyclable materials for petroleum-based materials whenever possible, while striving for efficient use of resources through reduced plastic consumption and the use of recycled materials.

\*7. A technology in which “flake” created by pulverizing and washing recovered PET bottles is treated at high temperature in a vacuum for a fixed period and which, after being melted and filtered, can be used to manufacture the preform directly.

## 2. Forecast for the Next Period

The Suntory Group will strive to respond swiftly to changes in the market environment to create yet unknown value and work to further enhance growth and profitability as a global corporate group specializing in food and alcoholic beverages. We will do this while continuing to aim for harmonious coexistence with society and nature.

### <Non-Alcoholic Beverages and Food Segment>

Suntory Beverage & Food Limited will work on further improving profitability and developing a foundation based on the long-term management strategy and medium-term management plan.

In Japan, as various costs continue to rise, creating a harsh business environment, we will work on structural reform to improve profitability. In Europe, we will work on strengthening flagship brands as well as structural reforms such as enhancement of sales and supply chain management in major countries. In Asia, we will work on growth of our flagship brands and strengthening of our low sugar products to capture demand from increasingly health-conscious customers. In the health food business, we will strengthen our efforts in growth markets. In Oceania, we will continue to strengthen our soft drinks business, fresh coffee business, and flagship brands. In the United States, we will continue to focus on recovery in the carbonated beverage category while at the same time working to achieve further expansion and lower costs in the non-carbonated beverage category.

#### <Alcoholic Beverages Segment>

As the world's third largest premium spirits company, Beam Suntory Inc. aims to outperform its global market by leveraging its strong routes to market and building its premium brands. Specifically in Japan, the company plans to enhance marketing activities for whisky brands including *Jim Beam*, *Maker's Mark* and *Torys*, as well as key RTD brands such as *-196°C Strong Zero*. In April, the Japan business will launch *SUNTORY WORLD WHISKY Ao*, the world's first blend comprised of the five world whiskies produced at in-house distilleries.

Suntory Beer Limited will create new demand and work on revitalization of the market as a whole by such means as increasing the value of existing brands and selling innovative new products. With *The Premium Malt's* brand, activities will continue to further expand contact points to experience "Creamy foam" and change the criterion for choosing beer to the foam, including the introduction of a new electric "Creamy foam" server that does not need to be cleaned. With regard to new genre products, we will fully renew the flagship *Kinmugi* product for the first time since its launch 13 years ago and launch new products *Kinmugi <Gold Lager>* and *MAGNUM DRY HON-KARAKUCHI* in the aim of achieving a record-breaking sales volume.

Suntory Wine International Limited will leverage its strengths as a wine maker with its own vineyards in Japan and Europe and also a distributor that handles high-quality wines from around the world in an aim for further growth. In Japan, we will enhance our lineup of European wines, which are gaining attention with the economic partnership agreement between Japan and Europe going into effect, and step up our marketing activities related to long-selling brands. We will also work on creating new demand for domestic casual wines.

#### <Other Businesses Segment>

Suntory Wellness Limited will continue to focus on the *Sesamin* series, the skin care product *F.A.G.E.*, and other products. Additionally, we will actively develop the businesses of DYNAC HOLDINGS CORPORATION and PRONTO CORPORATION.

As a result of these activities, our forecast for revenue by segment is 1.306 trillion yen in the Non-Alcoholic Beverages and Food Segment (up 1.5% year on year), 772 billion yen excluding excise taxes in the Alcoholic Beverages Segment (up 3.0% year on year), 1.042 trillion yen including excise taxes in the Alcoholic Beverages Segment (up 2.6% year on year), and 222 billion yen in the Other Businesses segment (up 3.4% year on year).



All these things considered, in the fiscal year ending December 31, 2019, the Group is forecasting revenue (excluding excise taxes) of 2.3 trillion yen (up 2.2% year on year), revenue (including excise taxes) of 2.57 trillion yen (up 2.1% year on year), operating income of 251 billion yen (up 0.1% year on year), and profit attributable to owners of the Company of 123 billion yen (down 12.2% year on year).

## Consolidated statement of financial position

(Millions of yen)

	As at December 31, 2017	As at December 31, 2018
Assets		
Current assets:		
Cash and cash equivalents	359,518	272,425
Trade and other receivables	396,645	405,556
Other financial assets	19,687	3,671
Inventories	408,822	415,841
Other current assets	66,914	68,231
Sub-total	1,251,588	1,165,726
Assets held for sale	23,152	27
Total current assets	1,274,741	1,165,753
Non-current assets:		
Property, plant and equipment	660,481	696,103
Goodwill	882,123	867,986
Intangible assets	1,469,110	1,422,962
Investments accounted for using the equity method	41,544	42,411
Other financial assets	135,882	120,483
Deferred tax assets	75,394	71,300
Other non-current assets	40,297	34,861
Total non-current assets	3,304,835	3,256,110
Total assets	4,579,576	4,421,864

(Millions of yen)

	As at December 31, 2017	As at December 31, 2018
<b>Liabilities and equity</b>		
<b>Liabilities</b>		
Current liabilities:		
Bonds and borrowings	291,501	243,396
Trade and other payables	515,323	529,616
Other financial liabilities	103,578	98,190
Accrued income taxes	29,478	24,499
Provisions	12,383	16,490
Other current liabilities	84,614	84,765
Sub-total	1,036,880	996,959
Liabilities directly associated with assets held for sale	6,215	—
Total current liabilities	1,043,096	996,959
Non-current liabilities:		
Bonds and borrowings	1,539,763	1,348,629
Other financial liabilities	72,908	66,286
Post-employment benefit liabilities	41,478	40,670
Provisions	7,979	7,190
Deferred tax liabilities	307,115	288,542
Other non-current liabilities	21,520	21,895
Total non-current liabilities	1,990,767	1,773,215
Total liabilities	3,033,863	2,770,175
<b>Equity</b>		
Share capital	70,000	70,000
Share premium	133,885	133,944
Retained earnings	1,064,603	1,198,492
Treasury shares	(1,006)	(938)
Other components of equity	(62,735)	(128,728)
Total equity attributable to owners of the Company	1,204,747	1,272,770
Non-controlling interests	340,965	378,918
Total equity	1,545,713	1,651,689
<b>Total liabilities and equity</b>	<b>4,579,576</b>	<b>4,421,864</b>

**Consolidated statement of profit or loss**

(Millions of yen)

	Year ended December 31, 2017	Year ended December 31, 2018
Revenue (including excise taxes)	2,420,286	2,517,258
Less: excise taxes	(262,754)	(266,475)
Revenue (excluding excise taxes)	2,157,531	2,250,782
Cost of sales	(1,095,535)	(1,172,720)
Gross profit	1,061,995	1,078,062
Selling, general and administrative expenses	(809,653)	(832,899)
Gain on investments accounted for using the equity method	9,688	7,916
Other income	10,334	18,888
Other expenses	(18,725)	(21,108)
Operating income	253,639	250,859
Finance income	3,084	6,305
Finance costs	(29,833)	(24,817)
Profit before income taxes	226,890	232,347
Income tax expenses	24,956	(50,959)
Profit for the year	251,846	181,387
Attributable to:		
Owners of the Company	211,448	140,151
Non-controlling interests	40,398	41,236
Profit for the year	251,846	181,387
Earnings per share (Yen)	308.63	204.39

## Reconciliation from operating income to adjusted operating income

(Millions of yen)

	Year ended December 31, 2017	Year ended December 31, 2018
Operating income	253,639	250,859
Restructuring charges	6,647	3,498
Losses from natural disaster	876	1,456
Impairment losses and reversal of impairment losses	616	4,012
Gain on disposals of shares in subsidiaries and associates	(1,876)	(12,173)
Other	(4,458)	3,301
Total	1,806	96
Adjusted operating income	255,445	250,955

## Consolidated statement of cash flows

	Year ended December 31, 2017	Year ended December 31, 2018
<b>Cash flows from operating activities</b>		
Profit before income taxes	226,890	232,347
Depreciation and amortization	97,262	98,417
Impairment losses (reversal of impairment losses)	616	4,318
Interest and dividend income	(2,790)	(2,435)
Interest expense	25,800	22,970
Gain on investments accounted for using the equity method	(9,688)	(7,916)
Increase in inventories	(15,623)	(14,118)
Increase in trade and other receivables	(19,451)	(9,990)
Increase in trade and other payables	15,002	11,409
Other	3,573	(6,327)
Subtotal	321,593	328,676
Interest and dividends received	7,477	6,988
Interest paid	(27,358)	(24,217)
Income taxes paid	(40,008)	(61,061)
Net cash inflow from operating activities	261,703	250,384
<b>Cash flows from investing activities</b>		
Purchases of property, plant and equipment and intangible assets	(99,379)	(110,712)
Proceeds from sales of property, plant and equipment and intangible assets	8,115	5,741
Payments for acquisition of investment securities	(3,370)	(1,404)
Proceeds from sales of investment securities	19,504	3,539
Payments for acquisition of shares in subsidiaries involving changes in the scope of consolidation	(8,587)	(26,890)
Proceeds from disposals of shares in subsidiaries involving changes in the scope of consolidation	—	24,216
Other	3,667	1,313
Net cash outflow from investing activities	(80,049)	(104,196)
<b>Cash flows from financing activities</b>		
Increase in short-term borrowings	8,546	405
Proceeds from long-term borrowings	132,125	112,937
Repayment of long-term borrowings	(280,465)	(311,123)
Payments of finance lease liabilities	(10,458)	(10,014)
Proceeds from disposals of treasury shares	1,125	159
Dividends paid to owners of the Company	(8,902)	(8,913)
Dividends paid to non-controlling interests	(15,160)	(16,388)
Payments for acquisitions of shares in subsidiaries that do not involve loss of control	(171)	(54)
Other	1,317	54
Net cash outflow from financing activities	(172,042)	(232,938)
<b>Net increase (decrease) in cash and cash equivalents</b>		
Cash and cash equivalents at the beginning of the year	352,519	359,518
(Opening balance on the consolidated statement of financial position)		
Reclassification of cash and cash equivalents included in assets held for sale in the opening balance	—	3,439
<b>Cash and cash equivalents at the beginning of the year</b>	352,519	362,958
Effects of exchange rate changes on cash and cash equivalents	827	(3,782)
Cash and cash equivalents included in assets held for sale	(3,439)	—
<b>Cash and cash equivalents at the end of the year</b>	359,518	272,425

## Segment Information

### (1) Overview of reportable segments

The reportable segments are components of the Group for which separate financial information is available and regularly reviewed by management to make decisions about the allocation of resources and to assess segment performance.

The Group applies a holding company structure and operating companies have been established by product or service. The management of each operating company focuses on the type of products and services delivered or provided when establishing its own strategy for domestic and international operations. Therefore, the Group determined and identified “Beverage and Foods” and “Alcoholic Beverages” as a reportable segment based on the types of products and services delivered or provided. The classification of the Group’s primary products and services have been defined as below.

Reportable segment	Primary products
Beverage and Food	Non-alcoholic beverages, healthy drinks, processed foods, other products
Alcoholic Beverage	Spirits, beer, wine and other alcoholic beverages
Others	Healthy foods, ice cream, restaurants, flowers, operations in China and other operations

### (2) Profit or loss for each reportable segment

Profit or loss for each reportable segment of the Group was as follows.

Year ended December 31, 2017

(Millions of yen)

	Reportable segment			Segment total	Reconciliations *2	Consolidated *1
	Beverage and Food	Alcoholic Beverage	Others			
Revenue (including excise taxes)	1,226,436	985,288	208,561	2,420,286	—	2,420,286
Revenue (excluding excise taxes)						
External customers	1,226,436	722,533	208,561	2,157,531	—	2,157,531
Intersegment	7,571	4,233	11,561	23,366	(23,366)	—
Total revenue	1,234,008	726,767	220,122	2,180,898	(23,366)	2,157,531
Segment profit (loss)	138,771	126,927	25,892	291,591	(37,951)	253,639

(Note) \*1. Segment profit agrees with operating income presented in the consolidated statement of profit or loss.

\*2. “Reconciliations” to segment profit or loss represent overhead costs incurred by the Company to manage the Group’s operations and are not allocated to the reportable segments.

Year ended December 31, 2018

(Millions of yen)

	Reportable segment			Segment total	Reconciliations *2	Consolidated *1
	Beverage and Food	Alcoholic Beverage	Others			
Revenue (including excise taxes)	1,286,582	1,015,915	214,760	2,517,258	—	2,517,258
Revenue (excluding excise taxes)						
External customers	1,286,582	749,439	214,760	2,250,782	—	2,250,782
Intersegment	7,673	4,655	11,753	24,083	(24,083)	—
Total revenue	1,294,256	754,095	226,514	2,274,865	(24,083)	2,250,782
Segment profit (loss)	135,344	133,040	25,370	293,755	(42,896)	250,859

(Note) \*1. Segment profit agrees with operating income presented in the consolidated statement of profit or loss.

\*2. "Reconciliations" to segment profit or loss represent overhead costs incurred by the Company to manage the Group's operations and are not allocated to the reportable segments.

### (3) Information about geographical areas

Geographical areas other than Japan are comprised of the following countries:

Americas: United States of America and others

Europe: France, UK, Spain, and others

Asia and Oceania: Vietnam, Thailand, Australia and others

#### 1. Revenue (including excise taxes) from external customers was as follows:

(Millions of yen)

	Japan	Americas	Europe	Asia and Oceania	Total
Fiscal year ended December 31, 2017	1,466,814	348,682	310,796	293,991	2,420,286
Fiscal year ended December 31, 2018	1,498,126	355,088	321,408	342,634	2,517,258

(Note) Revenue (including excise taxes) is allocated into countries or areas based on the customers' locations for the analysis above.

#### 2. Revenue (excluding excise taxes) from external customers was as follows:

(Millions of yen)

	Japan	Americas	Europe	Asia and Oceania	Total
Fiscal year ended December 31, 2017	1,274,985	293,001	303,010	286,534	2,157,531
Fiscal year ended December 31, 2018	1,306,268	297,650	312,308	334,555	2,250,782

(Note) Revenue (excluding excise taxes) is allocated into countries or areas based on the customers' locations for the analysis above.