English Translation

SUNTORY
SUNTORY BEVERAGE & FOOD

February 13, 2025

Summary of Consolidated Financial Results for the Fiscal Year Ended December 31, 2024 (Under IFRS) (UNAUDITED)

Company name: **Suntory Beverage & Food Limited**
Shares listed: Tokyo Stock Exchange
Securities code: 2587
URL: https://www.suntory.co.jp/sbf/
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Scheduled date of ordinary general meeting of shareholders:	March 26, 2025
Scheduled date to file securities report:	March 27, 2025
Scheduled date to commence dividend payments:	March 27, 2025
Preparation of supplementary material on financial results:	Yes
Holding of financial results presentation meeting (for institutional investors and analysts):	Yes

(Millions of yen with fractional amounts discarded, unless otherwise noted)

1. Consolidated financial results for the fiscal year ended December 31, 2024 (from January 1, 2024 to December 31, 2024)

(1) Consolidated operating results

(Percentages indicate year-on-year changes)

	Revenue		Operating income		Profit before tax		Profit for the year	
Fiscal year ended	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
December 31, 2024	1,696,765	6.6	160,249	13.1	161,047	13.6	117,629	12.6
December 31, 2023	1,591,722	9.7	141,726	1.5	141,781	1.8	104,480	3.3

	Profit for the year attributable to owners of the Company		Comprehensive income for the year	
Fiscal year ended	(Millions of yen)	(%)	(Millions of yen)	(%)
December 31, 2024	93,495	13.0	181,443	3.8
December 31, 2023	82,743	0.5	174,847	11.2

	Basic earnings per share	Diluted earnings per share	Ratio of profit for the year to equity attributable to owners of the Company	Ratio of profit before tax to total assets	Ratio of operating income to revenue
Fiscal year ended	(Yen)	(Yen)	(%)	(%)	(%)
December 31, 2024	302.57	–	8.1	8.1	9.4
December 31, 2023	267.78	–	8.1	7.7	8.9

Reference: Gain on investments accounted for using the equity method
For the fiscal year ended December 31, 2024: ¥139 million
For the fiscal year ended December 31, 2023: ¥(27) million

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of the Company	Ratio of equity attributable to owners of the Company to total assets	Equity attributable to owners of the Company per share
As at	(Millions of yen)	(Millions of yen)	(Millions of yen)	(%)	(Yen)
December 31, 2024	2,058,032	1,315,278	1,209,587	58.8	3,914.53
December 31, 2023	1,912,415	1,185,027	1,087,370	56.9	3,519.00

(3) Consolidated cash flows

	Net cash inflow (outflow) from operating activities	Net cash inflow (outflow) from investing activities	Net cash inflow (outflow) from financing activities	Cash and cash equivalents at the end of the year
Fiscal year ended	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
December 31, 2024	193,730	(101,297)	(112,036)	160,493
December 31, 2023	158,292	(77,798)	(115,404)	171,755

2. Dividends

	Annual cash dividends					Total cash dividends	Dividend payout ratio (Consolidated)	Ratio of dividends to equity attributable to owners of the Company (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)	(Millions of yen)	(%)	(%)
Fiscal year ended December 31, 2023	–	40.00	–	40.00	80.00	24,719	29.9	2.4
Fiscal year ended December 31, 2024	–	55.00	–	65.00	120.00	37,079	39.7	3.2
Fiscal year ending December 31, 2025 (Forecast)	–	60.00	–	60.00	120.00		41.2	

3. Consolidated earnings forecast for the fiscal year ending December 31, 2025 (from January 1, 2025 to December 31, 2025)

(Percentages indicate year-on-year changes)

	Revenue		Operating income		Profit before tax		Profit for the year		Profit for the year attributable to owners of the Company		Basic earnings per share
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Yen)
Fiscal year ending December 31, 2025	1,796,000	5.8	161,000	0.5	160,500	(0.3)	117,000	(0.5)	90,000	(3.7)	291.26

* Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

(2) Changes in accounting policies and changes in accounting estimates

a.	Changes in accounting policies required by IFRS:	None
b.	Changes in accounting policies due to other reasons:	None
c.	Changes in accounting estimates:	None

(3) Number of issued shares (ordinary shares)

a. Total number of issued shares at the end of the period (including treasury shares)

As at December 31, 2024	309,000,000 shares
As at December 31, 2023	309,000,000 shares

b. Number of treasury shares at the end of the period

As at December 31, 2024	272 shares
As at December 31, 2023	148 shares

c. Average number of outstanding shares during the period

Fiscal year ended December 31, 2024	308,999,786 shares
Fiscal year ended December 31, 2023	308,999,870 shares

*** Financial results reports are not required to be audited by certified public accountants or an audit corporation.**

*** Proper use of earnings forecast, and other special matters**

The earnings forecast contained in these materials are based on our judgment attributable to information available to the Company and the Group as of the date of announcement of these materials, and include certain risks and uncertainties. These statements are not intended as a promise by the Company to achieve such results. Actual business results may differ substantially due to various factors such as economic situation surrounding the Company and the Group, market trend, exchange rates and other factors.

Attached Materials

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1. Overview of Operating Results

(1) Overview of operating results for the fiscal year under review

Suntory Beverage & Food Limited Group (the Group) has set the achievement of high-quality growth as its target in order to realize sustainable business growth and enhancement of corporate value as a truly global beverage enterprise. Under the medium-term plan formulated in the fiscal year under review, the Group has established the four important strategic themes of "brand strategy," "business structural transformation," "DEI (diversity, equity and inclusion)" and "sustainability," and is actively developing business in line with these themes.
In the fiscal year under review, amid an external environment that is expected to remain challenging, the Group will conduct aggressive marketing activities centered around the core brands while enhancing revenue growth management (RGM) activities, aiming to achieve further revenue growth in all segments.

In 2024, while the external environment was expected to remain challenging, the Group aimed to achieve further revenue growth in all segments through aggressive marketing activities centered on core brands and enhanced revenue growth management (RGM) activities. The Group steadily grasped the demand situation in key countries and continued its focused activities for core brands in all segments, resulting in record revenue and operating income.
Revenue increased in all segments due to the contribution of RGM activities, including price revisions in Japan, as well as the thorough implementation of focused activities for core brands in all segments.
Operating income increased in all segments, with Japan and Asia Pacific leading the overall increase as the effect of revenue growth and strict cost management offset the impact of high raw material prices and currency fluctuations in line with the expectations, as well as the impact of the macroeconomic slowdown in Europe.

For the operating results of the fiscal year under review, the Group reported consolidated revenue of ¥1,696.8 billion, up 6.6% year on year and up 2.7% on a currency neutral basis. Consolidated operating income was ¥160.2 billion, up 13.1% year on year and up 7.1% on a currency neutral basis. Profit for the year attributable to owners of the Company was ¥93.5 billion, up 13.0% year on year and up 7.8% on a currency neutral basis.

Results by segment are described below.

< Japan business >
The beverage market remained at the same level as the previous fiscal year (based on the Company's own estimates), despite the impact of price revisions, partly due to the effect of the extreme heat wave.
Our sales volume was slightly lower than the previous fiscal year despite the continued strengthening of focused activities for core brands, new product launches, and increased marketing activities, due to the impact of price revisions and other factors.
By brand, we continued to implement a variety of marketing activities for *Suntory Tennensui* amid steady demand. *The Kiritto Fruit series* and *Special Lemon Squash* continued to perform well, and 1L PET bottle products in renewed containers were also strong, resulting in a record sales volume. For *BOSS*, total sales volume of the brand was down from the previous fiscal year, despite the continued good performance of the *Craft BOSS series*, *Amakunai Italiano*. For *Iyemon*, sales volume was down from the previous fiscal year as the unsweetened tea market was significantly impacted by price revisions, but both *Iyemon Koi Aji* (food with functional claims) and *Tokucha* continued to perform well.
Revenue increased due to the effect of price revisions and an improved product size mix.
Segment profit increased due to revenue growth from prioritized activities for brands and each channel, the impact of high raw material prices and currency fluctuations remaining in line with the expectations, and strict cost management.

The Japan business reported revenue of ¥731.8 billion, up 3.3% year on year, and segment profit of ¥49.1 billion, up 21.3% year on year.

< Asia Pacific business >
In Asia Pacific, both revenue and segment profit increased due to a market recovery and our continued efforts to strengthen marketing activities, particularly in Thailand (beverage and health supplement businesses) and Vietnam (beverage business).
Revenue increased due to growth in sales volume in key businesses.
Segment profit increased due to the effect of higher revenue and strengthened marketing activities.
In the beverage business, Vietnam recorded revenue growth as the core brands *PEPSI* and *Aquafina* continued to perform well. Thailand reported revenue growth driven by strong sales of *PEPSI* and *TEA+*. In Oceania, sales volume increased year on year as a result of continued efforts to strengthen marketing activities for *V*, our core energy drink brand, leading to revenue growth.
In the health supplement business, *BRAND'S Essence of Chicken* maintained its recovery trend due to improved market conditions, including inbound demand, as well as renewed communication and enhanced marketing activities, and sales volume of *BRAND'S Bird's Nest* increased significantly year on year, contributing to revenue growth.

The Asia Pacific business reported revenue of ¥402.0 billion, up 8.2% year on year and up 3.5% on a currency neutral basis. Segment profit was ¥45.4 billion, up 5.4% year on year and up 1.4% on a currency neutral basis.

< Europe business >
Revenue increased on a currency neutral basis due in part to both continued strengthening of focused activities for core brands and RGM activities including price revisions, despite soft consumer spending, intensified competition and unstable weather conditions in key countries.
Segment profit increased due to strict cost management, supply chain improvement in the UK, and other factors.
In France, revenue decreased due to a drop in demand as a result of lower consumption trends caused by prolonged inflation, unfavorable weather conditions and other factors, although sales volume of the mainstay product *Oasis* was higher than the previous fiscal year. In the UK, *Lucozade* sales volume fell below the previous fiscal year's level due to the impact of product supply shortages in the second quarter, but have since recovered, resulting in revenue growth. In Spain, revenue decreased as a result of lower sales volume than the previous fiscal year due to a slowdown in market conditions.

The Europe business reported revenue of ¥368.1 billion, up 8.5% year on year and up 0.0% on a currency neutral basis. Segment profit was ¥60.4 billion, up 16.7% year on year and up 7.0% on a currency neutral basis.

< Americas business >
In the Americas, we increased promotional activities in both the core carbonated beverage category and the non-carbonated beverage category.
Revenue increased due in part to RGM activities, including price revisions.
Segment profit increased due to higher revenue, which offset the impact of rising raw material, logistics, and labor costs.

The Americas business reported revenue of ¥194.8 billion, up 12.7% year on year and up 4.5% on a currency neutral basis. Segment profit was ¥23.7 billion, up 12.9% year on year and up 4.7% on a currency neutral basis.

(2) Overview of financial position for the fiscal year under review
Total assets as at December 31, 2024 stood at ¥2,058.0 billion, an increase of ¥145.6 billion compared to December 31, 2023. The main factor was an increase in trade and other receivables and property, plant and equipment, in addition to the depreciation of key currencies against the yen compared to the end of the previous fiscal year.

Total liabilities stood at ¥742.8 billion, an increase of ¥15.4 billion compared to December 31, 2023. This was due in part to an increase in trade and other payables, in addition to the depreciation of key currencies against the yen compared to the end of the previous fiscal year despite a decrease of bonds and borrowings.
Total equity stood at ¥1,315.3 billion, an increase of ¥130.3 billion compared to December 31, 2023, due in part to an increase in other components of equity because of the depreciation of key currencies against the yen compared to the end of the previous fiscal year and retained earnings.
As a result of the above, ratio of equity attributable to owners of the Company to total assets was 58.8% and equity attributable to owners of the Company per share was ¥3,914.53.

(3) Overview of cash flows for the fiscal year under review

Cash flow positions in the fiscal year under review are as follows.
Cash and cash equivalents as at December 31, 2024 amounted to ¥160.5 billion, a decrease of ¥11.3 billion compared to December 31, 2023.
Net cash inflow from operating activities was ¥193.7 billion, an increase of ¥35.4 billion compared to the previous fiscal year. This was mainly the result of profit before tax of ¥161.0 billion, and depreciation and amortization of ¥77.0 billion, despite income tax paid of ¥39.3 billion and an increase in trade and other receivables of ¥20.7 billion.
Net cash outflow from investing activities was ¥101.3 billion, an increase of ¥23.5 billion compared to the previous fiscal year. This was mainly the result of payments for property, plant and equipment and intangible assets of ¥108.3 billion.
Net cash outflow from financing activities was ¥112.0 billion, an decrease of ¥35.0 billion compared to the previous fiscal year. This was mainly the result of dividends paid of ¥49.1 billion, repayments of long-term borrowings of ¥59.0 billion, and redemption of bonds of ¥35.0 billion.

(4) Future outlook

Based on the medium-term strategy, the Group will work on further improvement of profitability and business foundation.
Please see 3. Management Policies for further details on the medium-term strategy and initiatives for 2025. In the 2025 fiscal year, the Group expects consolidated revenue of ¥1,7960.0 billion, up 5.8% year on year, consolidated operating income of ¥161.0 billion, up 0.5% year on year.
The main foreign exchange rates underlying the outlook for the next fiscal year are ¥164.0 against the euro and ¥152.0 against the U.S. dollar.

(5) Basic policy on profit distribution and dividends for the 2024 and 2025 fiscal years

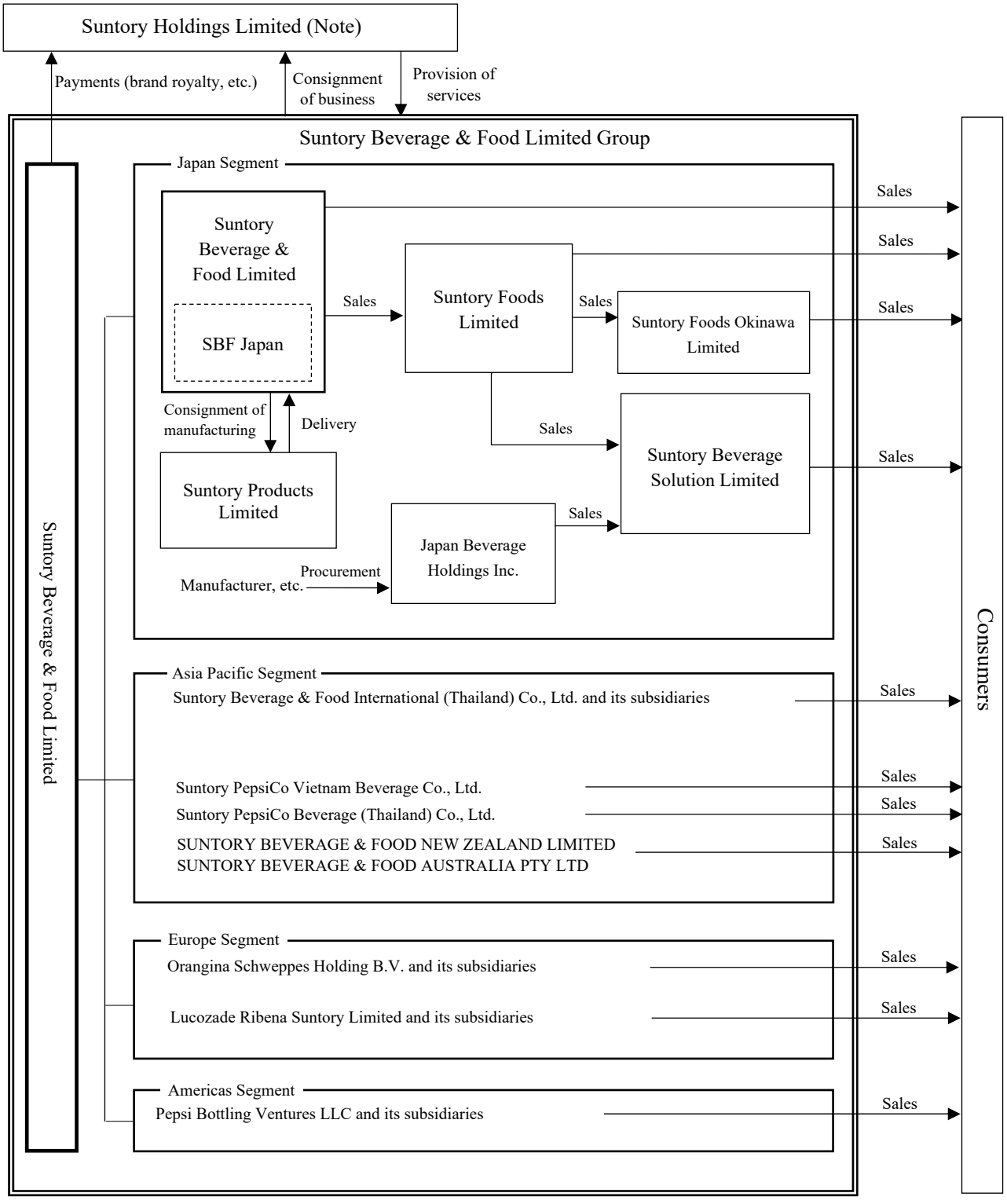
The Company believes its prioritization of strategic investments as well as capital expenditures for sustainable revenue growth and increasing the value of its business will benefit its shareholders. In addition, the Company views an appropriate shareholder return as one of its core management principles. While giving due consideration to providing a stable return and maintaining robust internal reserves for the future, the Company intends to pursue a shareholder return policy that takes its business results and future funding needs into account comprehensively. Specifically, the Company aims to stably increase dividends on the basis of profit growth with a targeted consolidated payout ratio of 40% or more of profit for the year attributable to owners of the Company.

For the fiscal year under review, in accordance with the basic policy described above and a consideration of business results and environment, the Company plans to pay a fiscal year-end dividend of ¥65 per share. As a result, the planned annual dividend for the fiscal year under review is ¥120 per share, together with an interim dividend of ¥55 already paid. For the fiscal year ending December 31, 2024, the Company plans to pay an annual dividend of ¥120 per share, comprised of an interim dividend of ¥60 and a fiscal year-end dividend of ¥60.

2. State of the Group

The Suntory Beverage & Food Limited Group is comprised of the Company, 64 subsidiaries, 6 affiliates and 2 joint ventures.
The major companies are mentioned below.

The following shows a business schematic diagram of the Group.



Note: Suntory Holdings Limited is the parent company.

3. Management Policies

(1) Corporate philosophy

The Group's corporate philosophy consists of "Our Purpose," "Our Values," and "Who We Are." "Our Purpose" and "Our Values" align with the Suntory Group's Corporate Philosophy in that they define the values all our employees embrace to achieve our purpose, in addition to the goals of our business and our corporate direction.
Moreover, we define the universal characteristics of the Group as "Who We Are" in seeking to achieve high-quality growth as a truly global beverage business.

＜Our Purpose＞ To inspire the brilliance of life, by creating rich experiences for people, in harmony with nature. ＜Our Values＞ Growing for Good / "Yatte Minahare" / Giving Back to Society ＜Who We Are＞ Always Together with Seikatsusha We connect with your feelings to enrich every moment of life

(2) Medium-term strategy and medium-term plan

The medium-term strategy and medium-term plan are as follows:
Medium-term strategy
Our aspiration is ¥2.5 trillion sales by 2030 to be achieved organically by "outperforming the market" as well as through "incremental growth from new investments," as we seek to achieve high-quality growth as a truly global beverage enterprise.
Furthermore, we aim for profit growth which outpaces revenue growth.
In order to achieve these, the Group will proactively develop business in line with the following key strategic pillars.

< Brand strategy >
- Enhance core brand innovation
- Expand cross-selling of strategic brands to a wider area
- Develop global Suntory brands

< Structural transformation >
- Japan: Accelerate structural transformation toward strengthening profitability
- Overseas: Accelerate business growth and further strengthen profitability
- Further augment and strengthen the business portfolio (deployment of RTD, etc.)

< DEI >
- Improve corporate competitive strengths through integration of diverse perspectives and values

< Sustainability >
- Reinforce initiatives for taking on environmental and social challenges

Medium-term plan (2024-2026)
The targets through 2026 based on the medium-term strategy are as follows:

Organic growth
(Base year: 2023, on a currency neutral basis)

Revenue	Mid single-digit Compound Annual Growth Rate (CAGR) growth
Operating income	High single-digit Compound Annual Growth Rate (CAGR) growth
Operating margin	Over 10% by 2026
Free cash flow	Generate more than ¥140 billion in 2026

* Free cash flow = cash flows from operating activities – cash flows from investing activities

Growth investment
- Allocate ¥300-600 billion for investment
- Focus on augmenting M&A and strategic capital investment (including investments in sustainability), and on global deployment of strategic brands

Dividend policy

・ Target dividend payout ratio of 40% or higher from fiscal year 2024 onward
*A targeted consolidated payout ratio of profit for the year attributable to owners of the Company

(3) Initiatives for 2025

In 2025, based on the assumption that currency fluctuations, high raw material prices and a challenging competitive landscape will continue, we will aim for further revenue growth by enhancing RGM activities, in addition to rigorously undertaking proactive marketing investment and sales promotion centered on our core brands. We will also continue to tightly manage costs and strive for higher profits.

Further, aiming at sustainable growth, we will continue to explore M&A and other investment opportunities and expand production facilities. Regarding our DEI initiatives, we seek to ensure that diverse employees exemplify our motto "Yatte Minahare - Go for it!" by promoting greater diversity of employee attributes and working to further build an organization conducive to accepting and leveraging differences. Moreover, underpinned by our mission "To Create Harmony with People and Nature," our sustainability initiatives will involve redoubling our efforts related to water and greenhouse gases with our sights set on achieving our "Environmental Targets toward 2030," and also more robustly engaging in the activities listed in the Suntory Group Plastic Policy. We will also continue to shore up our investments in sustainability.

< Japan business >

Designating our business strategies of "core brand innovation," "vending machine business transformation," and "supply chain structural reform" as the key priorities, we aim to grow revenue and profit. With respect to marketing activities, the Group will continue to further strengthen initiatives involving *Suntory Tennensui*, *BOSS*, *Iyemon*, *GREEN DA･KA･RA* and *Tokucha*.

For *Suntory Tennensui*, we will continue to promote its unique brand value while strengthening our activities for flavored water products. For *BOSS*, we will continue to strengthen our activities for *Craft BOSS*, which has the two pillars of "Coffee series" and "Tea series," while strengthening our marketing activities for canned coffee products with the aim of revitalizing heavy users. To further expand the *Iyemon* brand, we will strengthen activities for *Iyemon*, *Iyemon Koiaji* (food with functional claims) and *Iyemon Kyoto Blend*. The Group will strive to get customers more accustomed to drinking *Tokucha* by further enhancing our marketing activities and conveying the appeal of *Tokucha* in terms of its unique functions.

< Asis Pacific business >

In Asia Pacific, the Group aims to achieve further growth of its core brands by leveraging its comprehensive strengths across the entire value chain, assuming continued robust demand in key markets. We will rigorously pursue revenue growth and ramp up production facilities to drive cost reduction activities.

In the beverage business in Vietnam, the Group will continue to strengthen its sales activities while striving to accelerate further growth of core brands such as the energy drink *Sting* and tea beverage *TEA+*. In Thailand, the Group will strengthen the *PEPSI* brand and work to achieve further improvements in productivity, and continue reinforcing low-sugar products in order to capture demand driven by the rising health consciousness of consumers. In Oceania, the Group will continue to focus on the energy drink *V*, a core brand, while driving further growth of the *BOSS* brand and expanding the Group's product portfolio through the production and sale of RTD beverages. In the health supplement business, the Group will bolster marketing activities to maintain the sales trend of its mainstay product *BRAND'S Essence of Chicken*.

< Europe business >

In Europe, the Group aims to achieve revenue growth by continuing core brand innovation, strengthening promotional activities and expanding its product portfolio, assuming that it will take time for demand to recover in key countries. The Group will maintain profitability through revenue growth, cost reduction and structural reform of its business.

In France, the Group will strengthen the marketing for *Oasis* and *Schweppes*. In the UK, the Group seek to increase its market share by concentrating investment on *Lucozade*. In Spain, the Group will redouble its efforts with *Schweppes* in the off-premise and on-premise markets, while further

advancing in the structural reform of the on-premise business.

< Americas business >

The Group will enhance the core carbonated beverage category while working to further expand the growing non-carbonated beverage category. The Group will also strive to accelerate revenue and profit growth by refining its pricing policy and supply chain.

4. Basic Concept Regarding Selection of Accounting Standard

Considering the ongoing globalization of the business activities of the Group, the Group has applied the International Financial Reporting Standards (IFRS) from the fiscal year ended December 31, 2017, to improve the quality of the Group's business management through unified accounting standards and to increase international comparability of its financial information in the capital markets.

5. Consolidated Financial Statements and Significant Notes Thereto (Unaudited)

(1) Consolidated statement of financial position

Millions of yen

	As at December 31, 2023	As at December 31, 2024
Assets		
Current assets:		
Cash and cash equivalents	171,755	160,493
Trade and other receivables	309,923	341,028
Other financial assets	1,664	4,558
Inventories	115,967	118,412
Other current assets	28,175	34,206
Subtotal	627,486	658,699
Assets held for sale	11,421	1,842
Total current assets	638,907	660,541
Non-current assets:		
Property, plant and equipment	416,600	481,950
Right-of-use assets	51,891	61,495
Goodwill	278,231	285,224
Intangible assets	495,339	530,886
Investments accounted for using the equity method	114	241
Other financial assets	14,482	14,534
Deferred tax assets	8,969	15,589
Other non-current assets	7,878	7,566
Total non-current assets	1,273,507	1,397,490
Total assets	1,912,415	2,058,032

	Millions of yen	
	As at December 31, 2023	As at December 31, 2024
Liabilities and equity		
Liabilities		
Current liabilities:		
Bonds and borrowings	49,431	26,666
Trade and other payables	430,812	460,147
Other financial liabilities	22,982	26,995
Accrued income taxes	19,926	22,054
Provisions	1,403	1,578
Other current liabilities	6,100	6,733
Subtotal	530,656	544,176
Liabilities directly associated with assets held for sale	5,073	-
Total current liabilities	535,730	544,176
Non-current liabilities:		
Bonds and borrowings	25,000	550
Other financial liabilities	45,472	55,484
Post-employment benefit liabilities	14,323	15,240
Provisions	6,068	7,361
Deferred tax liabilities	93,954	111,666
Other non-current liabilities	6,838	8,274
Total non-current liabilities	191,657	198,578
Total liabilities	727,388	742,754
Equity		
Share capital	168,384	168,384
Share premium	182,229	185,311
Retained earnings	652,706	716,919
Treasury shares	(0)	(1)
Other components of equity	84,050	138,973
Total equity attributable to owners of the Company	1,087,370	1,209,587
Non-controlling interests	97,656	105,690
Total equity	1,185,027	1,315,278
Total liabilities and equity	1,912,415	2,058,032

(2) Consolidated statement of profit or loss

Millions of yen

	Year ended December 31, 2023	Year ended December 31, 2024
Revenue	1,591,722	1,696,765
Cost of sales	(1,001,726)	(1,049,885)
Gross profit	589,996	646,879
Selling, general and administrative expenses	(445,401)	(477,965)
Gain on investments accounted for using the equity method	(27)	139
Other income	3,273	5,108
Other expenses	(6,114)	(13,912)
Operating income	141,726	160,249
Finance income	4,281	5,551
Finance costs	(4,226)	(4,753)
Profit before tax	141,781	161,047
Income tax expense	(37,301)	(43,417)
Profit for the year	104,480	117,629
Attributable to:		
Owners of the Company	82,743	93,495
Non-controlling interests	21,736	24,134
Profit for the year	104,480	117,629
Earnings per share (Yen)	267.78	302.57

(3) Consolidated statement of comprehensive income

	Millions of yen	
	Year ended December 31, 2023	Year ended December 31, 2024
Profit for the year	104,480	117,629
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Changes in the fair value of financial assets	(5)	181
Remeasurement of defined benefit plans	(1,098)	72
Total	(1,104)	253
Items that may be reclassified to profit or loss:		
Translation adjustments of foreign operations	71,594	61,624
Changes in the fair value of cash flow hedges	(241)	1,845
Changes in comprehensive income of investments accounted for using the equity method	117	90
Total	71,471	63,560
Other comprehensive income for the year, net of tax	70,366	63,813
Comprehensive income for the year	174,847	181,443
Attributable to:		
Owners of the Company	147,178	148,490
Non-controlling interests	27,669	32,952
Comprehensive income for the year	174,847	181,443

(4) Consolidated statement of changes in equity

	Millions of yen							
	Attributable to owners of the Company							
	Share capital	Share premium	Retained earnings	Treasury shares	Other compo-nents of equity	Total	Non-controlling interests	Total equity
Balance at January 1, 2023	168,384	182,229	594,773	(0)	19,834	965,220	94,883	1,060,104
Profit for the year			82,743			82,743	21,736	104,480
Other comprehensive income					64,434	64,434	5,932	70,366
Total comprehensive income for the year	–	–	82,743	–	64,434	147,178	27,669	174,847
Purchase of treasury shares				(0)		(0)		(0)
Dividends			(25,028)			(25,028)	(25,027)	(50,056)
Transactions with non-controlling interests						–	132	132
Reclassification to retained earnings			218		(218)	–		–
Total transactions with owners of the Company	–	–	(24,810)	(0)	(218)	(25,029)	(24,895)	(49,924)
Balance at December 31, 2023	168,384	182,229	652,706	(0)	84,050	1,087,370	97,656	1,185,027
Profit for the year			93,495			93,495	24,134	117,629
Other comprehensive income					54,995	54,995	8,818	63,813
Total comprehensive income for the year	–	–	93,495	–	54,995	148,490	32,952	181,443
Purchase of treasury shares				(0)		(0)		(0)
Dividends			(29,354)			(29,354)	(19,713)	(49,068)
Transactions with non-controlling interests		3,082				3,082	(5,205)	(2,123)
Reclassification to retained earnings			72		(72)	–		–
Total transactions with owners of the Company	–	3,082	(29,282)	(0)	(72)	(26,273)	(24,918)	(51,192)
Balance at December 31, 2024	168,384	185,311	716,919	(1)	138,973	1,209,587	105,690	1,315,278

(5) Consolidated statement of cash flows

	Millions of yen	
	Year ended December 31, 2023	Year ended December 31, 2024
Cash flows from operating activities		
Profit before tax	141,781	161,047
Depreciation and amortization	73,079	76,955
Impairment losses (reversal of impairment losses)	553	3,975
Interest and dividends income	(4,225)	(3,788)
Interest expense	2,936	4,529
Loss (gain) on investments accounted for using the equity method	27	(139)
Decrease (increase) in inventories	(4,683)	2,132
Decrease (increase) in trade and other receivables	(29,328)	(20,706)
Increase (decrease) in trade and other payables	26,729	8,123
Other	(14,037)	1,780
Subtotal	192,833	233,908
Interest and dividends received	4,000	3,679
Interest paid	(2,058)	(4,531)
Income tax paid	(36,482)	(39,326)
Net cash inflow (outflow) from operating activities	158,292	193,730
Cash flows from investing activities		
Payments for property, plant and equipment and intangible assets	(79,236)	(108,307)
Proceeds on sale of property, plant and equipment and intangible assets	173	1,790
Proceeds from sale of businesses	627	–
Proceeds from sale of subsidiaries	–	4,707
Other	636	512
Net cash inflow (outflow) from investing activities	(77,798)	(101,297)
Cash flows from financing activities		
Increase (decrease) in short-term borrowings and commercial papers	(4,799)	(7,874)
Repayments of long-term borrowings	(30,000)	(5,929)
Redemption of bonds	(15,000)	(35,000)
Payments of lease liabilities	(15,475)	(12,010)
Dividends paid to owners of the Company	(25,028)	(29,354)
Dividends paid to non-controlling interests	(25,100)	(19,713)
Payments for acquisition of interests in subsidiaries from non-controlling interests	–	(2,152)
Other	(0)	(0)
Net cash inflow (outflow) from financing activities	(115,404)	(112,036)
Net increase (decrease) in cash and cash equivalents	(34,910)	(19,603)
Cash and cash equivalents at the beginning of the period (Statement of financial position)	200,630	171,755
Reclassification of cash and cash equivalents included in assets held for sale	–	1,301
Cash and cash equivalents at the beginning of the year	200,630	173,057
Effects of exchange rate changes on cash and cash equivalents	7,337	7,039
Cash and cash equivalents included in assets held for sale	(1,301)	–
Cash and cash equivalents at the end of the year	171,755	160,493

(6) Notes to consolidated financial statements

(Going concern)

The consolidated financial statements are prepared on going concern basis.

(Significant accounting estimates)

Valuation of goodwill and intangible assets with indefinite useful lives

(1) Amounts recorded in the consolidated financial statements at the end of the fiscal year under review

Goodwill	¥285,224 million
Intangible assets with indefinite useful lives	¥473,935 million

(2) Information on details of significant accounting estimates relating to the identified items

The Company estimates recoverable amounts for impairment testing on goodwill and intangible assets with indefinite useful lives.

The recoverable amount is calculated as the discounted present value of estimated future cash flows primarily based on the long-term growth rates in the business plan and after the applicable period of the business plan.

The business plan used for impairment testing is formulated based on not only the growth rate of the beverages market having an impact on future revenue and operating income, and the effect of soaring raw material and energy prices, but also estimates of the effects of the sales strategies for each brand, and the sales and promotion strategies for each sales channel, such as off-premises and on-premises channels. Moreover, the growth rate is determined by taking into consideration the long-term average growth rate in the markets or countries to which these cash-generating units and groups of cash-generating units belong. If they differ from the actual results, it may impact the business performance and other indicators.

(Segment information)

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 manufactures and distributes soft drinks and foods, including mineral water, coffee drinks, tea drinks, carbonated drinks, sports drinks and food for specified health uses (FOSHU). The Company, together with its manufacturing and sales subsidiaries, operates in the domestic market, and its regional subsidiaries operate in overseas markets. Therefore, the Group comprises of four reportable segments: “Japan business,” “Asia Pacific business,” “Europe business” and “Americas business.” The intersegment transactions are considered on an arm’s length basis.

The Group operates a single business, the manufacturing and distribution of soft drinks and foods; therefore, financial information by product and service is not prepared.

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

Year ended December 31, 2023

Millions of yen

	Reportable segment						
	Japan	Asia Pacific	Europe	Americas	Segment total	Reconciliations	Consolidated
Revenue:							
External customers	708,141	371,435	339,274	172,871	1,591,722	–	1,591,722
Intersegment	93	5	1,026	–	1,125	(1,125)	–
Total revenue	708,234	371,440	340,301	172,871	1,592,847	(1,125)	1,591,722
Segment profit	40,455	43,075	51,725	20,982	156,239	(14,512)	141,726
(Depreciation and amortization)	32,621	17,286	13,942	5,825	69,675	3,404	73,079

Year ended December 31, 2024

Millions of yen

	Reportable segment						
	Japan	Asia Pacific	Europe	Americas	Segment total	Reconciliations	Consolidated
Revenue:							
External customers	731,814	402,049	368,081	194,819	1,696,765	–	1,696,765
Intersegment	112	0	1,225	–	1,338	(1,338)	–
Total revenue	731,926	402,050	369,306	194,819	1,698,103	(1,338)	1,696,765
Segment profit	49,083	45,404	60,356	23,684	178,529	(18,279)	160,249
(Depreciation and amortization)	32,801	18,925	14,316	7,109	73,154	3,801	76,955

"Reconciliations" to segment profit represents overhead costs incurred by the Company to manage the Group's operations and is not allocated to each reportable segment. Segment profit agrees with operating income presented in the consolidated statement of profit or loss.

Geographical areas are comprised of the following countries.

Japan business:	Japan
Asia Pacific business:	Vietnam, Thailand, New Zealand, Australia, and others
Europe business:	France, UK, Spain, and others
Americas business:	United States of America

Revenue from external customers is as follows:

Millions of yen

	Japan	Asia Pacific	Europe	Americas	Total
Year ended December 31, 2023	708,141	371,409	339,300	172,871	1,591,722
Year ended December 31, 2024	731,814	401,918	368,212	194,819	1,696,765

Revenue is allocated to countries or areas based on the customers' location for the analysis above.

Non-current assets by reportable segment is as follows:

Millions of yen

	Japan	Asia Pacific	Europe	Americas	Total
As at December 31, 2023	352,081	208,937	586,151	94,891	1,242,062
As at December 31, 2024	365,036	254,815	627,885	111,821	1,359,558

Non-current assets (property, plant and equipment, right-of-use assets, intangible assets and goodwill) is allocated to each reportable segment based on their locations for the above analysis.

There is no customer to which sales exceeds 10% of the Group's total revenue.

(Per share information)

The basis for calculating earnings per share is as follows. There is no diluted share issued.

	Millions of yen	
	Year ended December 31, 2023	Year ended December 31, 2024
Profit for the year attributable to owners of the Company	82,743	93,495
Profit for the year not attributable to ordinary shareholders of the Company	–	–
Profit for the year used in the calculation of earnings per share	82,743	93,495
Weighted-average number of ordinary shares (Shares)	308,999,870	308,999,786
Earnings per share (Yen)	267.78	302.57

(Subsequent events)

No items to report.