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Consolidated Financial Summary for the Third Quarter Ended September 30, 2024 (IFRS)



November 6, 2024

Listed company name: Coca-Cola Bottlers Japan Holdings Inc.
Code number: 2579
Delegate: Title: Representative Director & President
Contact: Title: Head of Controllers Senior Group Division, Finance

Listed stock exchanges: Tokyo
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Schedule for dividends payment: —
Preparation of supplementary materials on quarterly financial results: Yes
Holding of quarterly financial results conference: Yes

(Fractions of one million yen are rounded to the nearest million)

1. Consolidated financial results for the cumulative third quarter of current fiscal year (from January 1, 2024 to September 30, 2024)

(1) Consolidated financial results (cumulative)

(Percentages indicate changes over the same period in the previous fiscal year)

| | Revenue | | Business income | | Operating income | | Net income | | Net income attributable to owners of the parent | | Total comprehensive income | |
|-------------------------------|-------------|-----|-----------------|-------|------------------|-------|-------------|-------|---|-------|----------------------------|-------|
| | million yen | % | million yen | % | million yen | % | million yen | % | million yen | % | million yen | % |
| 3 rd Quarter, 2024 | 676,612 | 1.9 | 14,690 | 150.4 | 17,592 | 187.4 | 10,077 | 159.1 | 10,017 | 159.4 | 11,408 | 124.3 |
| 3 rd Quarter, 2023 | 663,825 | 8.4 | 5,867 | — | 6,121 | — | 3,890 | — | 3,862 | — | 5,085 | — |

| | Basic earnings per share | Diluted earnings per share |
|-------------------------------|--------------------------|----------------------------|
| | yen | yen |
| 3 rd Quarter, 2024 | 55.79 | 55.41 |
| 3 rd Quarter, 2023 | 21.53 | 21.38 |

※ “Business income” is a measure of our recurring business performance. “Business income” deducts cost of sales and selling, general and administrative expenses from revenue, and includes other income and expenses which we believe are recurring in nature.

(2) Consolidated financial position

| | Total assets | Total equity | Equity attributable to parent owners | Ratio of equity attributable to parent owners |
|---------------|--------------|--------------|--------------------------------------|---|
| | million yen | million yen | million yen | % |
| Sep. 30, 2024 | 808,048 | 473,230 | 473,009 | 58.5 |
| Dec. 31, 2023 | 844,832 | 470,021 | 469,847 | 55.6 |

2. Dividends

| | Dividends per share | | | | |
|-------------------------------------|---------------------|--------------------|-------------------|-----------------|--------|
| | First quarter-end | Second quarter-end | Third quarter-end | Fiscal year-end | Annual |
| | yen | yen | yen | yen | yen |
| FY ended December, 2023 | — | 25.00 | — | 25.00 | 50.00 |
| FY ending December, 2024 | — | 25.00 | — | | |
| FY ending December, 2024 (forecast) | | | | 28.00 | 53.00 |

Note Revisions to the cash dividends forecasts most recently announced: Yes

3. Forecast for consolidated financial results 2024 (From January 1, 2024 to December 31, 2024)

(Percentages indicate changes over the same period in the previous fiscal year)

| | Revenue | | Business income | | Operating income | | Income before tax | | Net income | | Net income for the year attributable to owners of the parent | | Basic earnings per share |
|---------|-------------|-----|-----------------|-------|------------------|-------|-------------------|-------|-------------|-------|--|-------|--------------------------|
| | million yen | % | million yen | % | million yen | % | million yen | % | million yen | % | million yen | % | yen |
| FY 2024 | 888,000 | 2.2 | 11,500 | 467.9 | 13,600 | 295.2 | 13,000 | 303.2 | 7,500 | 294.2 | 7,400 | 295.6 | 41.28 |

Notes 1. Revisions to the forecasts of consolidated financial results most recently announced: Yes

2. The Company resolved at a meeting of the Board of Directors held on November 6, 2024 to repurchase and cancel the Company’s treasury shares. The Company has considered the impact of the repurchase of treasury shares on basic earnings per share in the forecast for consolidated financial results. Please refer to “2. Condensed Quarterly Consolidated Financial Statements and Notes (5) Notes to Condensed Consolidated Financial Statements, (Subsequent events)” on page 13 for details on this repurchase of treasury shares.

※ Notes

| | |
|---|--------------------|
| (1) Changes in significant subsidiaries during the current period: | None |
| (2) Changes in accounting policies and changes in accounting estimates: | |
| 1) Changes in accounting policies as required by IFRS: | None |
| 2) Changes other than those in 1) above: | None |
| 3) Changes in accounting estimates: | None |
| (3) Number of outstanding shares (common shares) | |
| 1) The number of outstanding shares (including treasury shares): | |
| 3 rd Quarter, September 2024: | 206,268,593 shares |
| FY Ended December 2023: | 206,268,593 shares |
| 2) The number of treasury shares: | |
| 3 rd Quarter, September 2024: | 26,688,709 shares |
| FY Ended December 2023: | 26,834,199 shares |
| 3) The number of average shares outstanding: | |
| 3 rd Quarter, September 2024: | 179,552,201 shares |
| 3 rd Quarter, September 2023: | 179,366,863 shares |

Note The Company has introduced Executive reward BIP Trust and Stock-granting ESOP Trust during the second quarter of 2023, and the Company shares held by these trusts are included in the number of treasury shares as a deduction in the calculation of the number of treasury shares at the end of the period and the average number of shares during the period.

※ The consolidated financial summary is not subject to quarterly review procedures conducted by certified public accountant or audit firm.

※ Explanation regarding appropriate use of the forecast, other special instructions

The figures in the above forecast are based on information available at the time of issuance of this report, and the actual results may be changed materially due to a number of inherent uncertainties in the forecast. Furthermore, please refer to “1. Qualitative Information on the Financial Summary for this quarter (3) Qualitative Information on the Future Outlook, such as Forecast of Consolidated Financial Results” on page 5 for matters relating to performance forecasts.

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1. Qualitative Information on the Financial Summary for this Quarter

(1) Qualitative Information on Consolidated Financial Results

Coca-Cola Bottlers Japan Holdings Inc. (CCBJH, hereafter “the Company” or “we”) announced its cumulative third quarter results for the fiscal year ending December 31, 2024 (January 1, 2024, to September 30, 2024).

In this cumulative third quarter accounting period (January 1, 2024, to September 30, 2024), the total domestic nonalcoholic ready-to-drink (NARTD) beverage market is estimated to have grown by about 1% versus the same period of the previous fiscal year. Despite the negative impact on demand from price revisions implemented by beverage companies and the impact of inclement weather from typhoons, demand increased on the back of a continued recovery in traffic and special demand from the Nankai Trough earthquake advisory announced in August. The business environment remained uncertain as rising commodity and utility prices along with the yen's accelerated depreciation impacted business and consumer behavior.

Under these circumstances, as the first year of our strategic business plan “Vision 2028,” we are positioning 2024 as the “year of strong profit build up.” We have implemented top-line growth initiatives to maximize profits, achieved cost savings through organization-wide transformation, and further strengthened our business foundation. In commercial areas, under a profitability-focused policy, we launched new product initiatives centered on Ayataka, fully renewed for the first time in seven years. We also expanded sales space and strengthened marketing activities based on a return on investment. In addition to maintaining product prices following the recent series of price revisions, we have been preparing for further price revisions on certain products to be implemented from shipments starting October 1, including customer negotiations. In manufacturing and logistics fields, we have been promoting a “local production for local consumption” model, focusing on manufacturing products in plants near to their place of consumption. To expand our manufacturing capacity, we introduced a new aseptic (sterile filling) production line at the Tokai Plant in September. In logistics fields, we have focused on improving our logistics network, reducing costs, and strengthening our supply chain infrastructure. We have also worked with other companies in the industry and with customers to improve efficiency and address social issues. Additionally, we improved the accuracy of our Sales and Operations Planning (S&OP) process, focusing on managing the sharp increase in shipping volumes during the summer due to hot weather and special demand. In back-office and IT, we have advanced the standardization and automation of business processes through NeoArc Inc., our joint venture with Accenture Japan Ltd.

We are working continuously to realize ESG targets through creating shared value with society. These targets include enhancing water resource conservation and PET bottle recycling. We have expanded our efforts by collaborating with customers and government agencies to foster a recycling-based society, reduce environmental impact, and expand business opportunities. In August, we began manufacturing Georgia at some of our plants using 185g lightweight aluminum beverage cans, which uses 13% less material per can than previous product containers. This initiative is a component of our efforts to conserve resources by reducing container weights. As part of our efforts to strengthen our human capital, we held an event to promote LGBTQ+ awareness in collaboration with customers as part of our diversity, equity, and inclusion (DE&I) initiatives.

Furthermore, as announced in the “Announcement of Revision of earnings forecasts, Change in dividend policy and Revision of dividend forecasts” and “Announcement of decision on matters related to Repurchase and Cancellation of treasury shares” dated November 6, 2024, we have revised up our full-year earnings forecasts for the fiscal year ending December 2024, and announced a comprehensive shareholder return measures aimed at increasing shareholder value outlined in our strategic business plan “Vision 2028.” We will strive to improve shareholder value over the mid- to long-term by implementing shareholder returns such as a dividend policy that incorporates an ambitious plan to increase dividends through 2028, the implementation of a share buyback program with an upper limit of 30 billion yen or 20 million shares, and the cancellation of 23 million shares of treasury shares. In addition, in light of the revision to the dividend policy, the year-end dividend (planned) for the fiscal year ending December 2024 will be increased by 3 yen per share compared to the previous forecast.

Details for the cumulative third quarter earnings are as follows. Please also refer to our earnings presentation materials available on the Company IR website (<https://en.ccbj-holdings.com/ir/library/presentation.php>) which will be used in our earnings conference call on Thursday, November 7, 2024, at 1:30 PM (JST). These will include details of the results, revision of full-year earnings forecast, and shareholder return measures. The earnings presentation audio webcast will be available live and on demand through our company website.

Summary of Business Performance

(Millions of yen except sales volume)

The cumulative third quarter (January 1 to September 30)

| | 2023 | 2024 | Change (%) |
|---|---------|----------------|---------------|
| Revenue | 663,825 | 676,612 | 1.9 |
| Sales volume (million cases) | 379 | 385 | 2 |
| Gross profit | 294,595 | 303,523 | 3.0 |
| Selling, General & Administrative Expenses | 287,961 | 288,536 | 0.2 |
| Other income (Recurring) | 534 | 769 | 44.0 |
| Other expenses (Recurring) | 1,302 | 1,105 | (15.1) |
| Investment income on equity method | 1 | 39 | — |
| Business income | 5,867 | 14,690 | 150.4 |
| Other income (Non-recurring) | 2,177 | 5,478 | 151.7 |
| Other expenses (Non-recurring) | 1,923 | 2,576 | 33.9 |
| Operating income | 6,121 | 17,592 | 187.4 |
| Net income attributable to owners of parent | 3,862 | 10,017 | 159.4 |

(Millions of yen except sales volume)

(For reference) The third quarter (July 1 to September 30)

| | 2023 | 2024 | Change (%) |
|---|---------|----------------|---------------|
| Revenue | 259,715 | 265,158 | 2.1 |
| Sales volume (million cases) | 149 | 153 | 3 |
| Gross profit | 117,799 | 122,319 | 3.8 |
| Selling, General & Administrative Expenses | 104,748 | 104,565 | (0.2) |
| Other income (Recurring) | 170 | 208 | 22.5 |
| Other expenses (Recurring) | 591 | 506 | (14.4) |
| Investment income on equity method | 1 | 25 | — |
| Business income | 12,630 | 17,481 | 38.4 |
| Other income (Non-recurring) | 519 | 49 | (90.5) |
| Other expenses (Non-recurring) | 499 | 1,144 | 129.3 |
| Operating income | 12,650 | 16,386 | 29.5 |
| Net income attributable to owners of parent | 7,808 | 10,314 | 32.1 |

Note “Business income” is a measure of our recurring business performance. “Business income” deducts cost of sales and selling, general and administrative expenses from revenue, and includes other income and expenses which we believe are recurring in nature.

Consolidated revenue was 676,612 million yen (an increase of 12,788 million yen or 1.9% from the same period in the prior year). Despite the negative impact on volume from price revisions, sales volume increased by 2% compared to the same period in the previous year. This was the result of efforts to introduce new products centered on Ayataka, expand sales space, and implement effective marketing activities. Additionally, the series of price revisions implemented to date have resulted in a sustained wholesale revenue per case improvement trend across all channels.

Consolidated business income was 14,690 million yen (an increase of 8,823 million yen or 150.4% from the same period in the prior year). Profitability improved due to profit contribution from top-line growth and transformation initiatives helped reduce costs, and controlling increased costs due to higher commodity, utility prices and the weaker yen effectively to a level below the previous year. With accelerated initiatives, the amount of business income improvement for the quarter to date third quarter (July 1, 2024 to September 30, 2024, hereafter "the third quarter") surpassed the gains achieved in both the first quarter (January 1, 2024 to March 31, 2024) and the second quarter (April 1, 2024 to June 30, 2024). As a result, business income for the cumulative third quarter was 2.5 times higher than the same period of the prior year.

Consolidated operating income was 17,592 million yen (an increase of 11,472 million yen or 187.4% from the same period in the

prior year). This was primarily due to improved business income versus the same period of the previous year and gains from the sales and disposals of property, plant, and equipment, which increased other income (non-recurring). Other income (non-recurring) included gains of 5,429 million yen sales and disposals of property, plant, and equipment, which was realized in the process of improving the balance sheet optimization efforts. Other expenses (non-recurring) included 1,834 million yen in business structure improvement costs related to the implementation of fundamental transformation initiatives.

Net income attributable to owners of the parent was 10,017 million yen (an increase of 6,156 million yen or 159.4% from the same period in the prior year). This increase was due to improved operating income from the same period of the previous year.

Sales Volume Trends (% change from same period of previous year)

Sales volume grew by 2% in the cumulative third quarter, driven by the contribution of new products and effective sales measures. This growth was achieved despite the negative impact on demand from price revisions implemented in October 2023 and May 2024. In the third quarter, in addition to the accelerated growth of Ayataka, which was fully renewed in April, capturing increased demand from the heat wave and the Nankai Trough earthquake advisory in August contributed to a 3% volume increase, exceeding the second quarter's growth rate. Additionally, wholesale revenue per case continued to improve due to price revisions across all sales channels.

By channel, supermarket sales volume declined by 3%, despite efforts were made to acquire sales spaces and leverage new products, the impact of price revisions caused a decrease in large PET bottle sales volume. In drugstores and discounters, cumulative sales volume increased by 3% on the back of channel expansion driven by consumers' focus on saving and the special demand in August. In convenience stores, despite a challenging competitive environment, sales volume grew by 4%, supported by strengthened new product offerings, customer-exclusive products, and effective marketing initiatives tailored to customers. Vending sales volume maintained the same level compared to the prior year. Despite the impact of price revisions and a decrease in sales volume due to an unseasonable weather in the summer, digital initiatives such as effective campaigns using the Coke ON smartphone app and the established share base built to date contributed to an increase in market share. Additionally, wholesale revenue per case for vending improved by over 50 yen year-on-year due to price revisions. In retail & food service, sales volume increased by 4%, which was driven by increased visits to restaurants and tourist spots, expanded product offerings, and new account acquisitions. Online sales volume grew by 17%, with a strengthened product lineup and collaborative measures with customers capturing summer demand.

By beverage category, sparkling sales volume increased by 3% driven by Coca-Cola's growth in restaurants and online, along with contributions from Sprite. In the tea category sales volume increased by 8%, driven by over 15% growth in the fully renewed Ayataka, drove the overall category growth. Coffee sales volume decreased by 2%, impacted by price revisions, despite the positive effects of new Georgia product launches. Water sales volume declined by 3%, despite the special demand lifting sales volumes, the decrease in large PET bottle sales volume due to price revisions had an impact. Sports sales volume decreased by 4%, despite the growth in convenience stores and online, large PET bottle sales declined due to price revisions. Juice sales volume increased by 7% due to growth in Minute Maid Orange in restaurants and the contribution of new Minute Maid Orange Blend Multi Vitamin.

In the alcohol category, despite efforts to strengthen sales with the introduction of new products such as Unsweetened Lemon-dou Muto Lemon with Sudachi, sales volume was impacted by the competitive environment and declined by 14%.

(2) Qualitative Information on Consolidated Financial Position

Assets at the end of the quarter were 808,048 million yen, a decrease of 36,784 million yen from the end of the previous fiscal year. This was mainly due to a decrease in "Cash and cash equivalents" following redemption of bonds and a decrease in "Property, plant and equipment" resulting from balance sheet optimization.

Liabilities at the end of the quarter were 334,818 million yen, a decrease of 39,993 million yen from the end of the previous fiscal year. This was mainly driven by a decrease in "Bonds and debts" under Current liabilities due to redemption of bonds.

Equity at the end of the quarter was 473,230 million yen, an increase of 3,209 million yen. This was mainly due to an increase in "Retained earnings" as a result of quarterly net income, while dividends were paid.

The cash flow conditions for cumulative third quarter of the current fiscal year are as follows:

Net cash generated from operating activities was 32,987 million yen (30,291 million yen generated from operating activities in the previous fiscal year). This was mainly due to “Depreciation and amortization” and “Income for the period before income tax benefit” of 17,238 million yen, while “Increase in trade and other receivables” and “Decrease in other liabilities” were also recorded.

Net cash used for investing activities was 10,986 million yen (17,741 million yen used for investing activities in the previous fiscal year). This was mainly due to “Payments for acquisitions of property, plant and equipment and intangible assets,” while “Proceeds from sales of property, plant and equipment and intangible assets” was recorded.

Net cash used for financing activities was 51,756 million yen (13,876 million yen used for financing activities in the previous fiscal year). This was mainly due to “Redemption of bonds” and “Dividends paid.”

As a result of these activities, cash and cash equivalents at the end of the third quarter were 83,904 million yen, a decrease of 29,756 million yen compared to the end of the previous fiscal year.

(3) Qualitative Information on the Future Outlook, such as Forecast of Consolidated Financial Results

In the cumulative third quarter of the current fiscal year, sales volume grew more than expected driven by the contribution of new product launch and effective sales measures under the circumstances of increased demand due to the continued recovery in traffic and the heat wave. In addition, accelerated initiatives such as improvement of manufacturing efficiency in peak demand period contributed to the result higher than initially expected revenue and profits. In the fourth quarter period (from October 1, 2024 to December 31, 2024), profitability improvement impact through the price revision implemented in October 1 has been reflected to the revised forecast. As a result, the Company has announced an upward revision of the full year forecast previously announced on February 14, 2024. For details, please refer to the “Announcement of Revision of earnings forecasts, Change in dividend policy and Revision of dividend forecasts” separately announced today.

2. Condensed Quarterly Consolidated Financial Statements and Notes

(1) Condensed Quarterly Consolidated Statement of Financial Position

| | Previous fiscal year As of December 31, 2023 | (Millions of yen) The third quarter As of September 30, 2024 |
|---|--|---|
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | 113,660 | 83,904 |
| Trade and other receivables | 120,069 | 126,846 |
| Inventories | 71,651 | 72,832 |
| Other financial assets | 88 | 548 |
| Other current assets | 8,288 | 11,577 |
| Total current assets | 313,756 | 295,706 |
| Non-current assets: | | |
| Property, plant and equipment | 401,687 | 384,425 |
| Right-of-use assets | 23,894 | 26,246 |
| Intangible assets | 63,819 | 62,531 |
| Investments accounted for using the equity method | 310 | 349 |
| Other financial assets | 11,898 | 11,739 |
| Deferred tax assets | 25,222 | 21,961 |
| Other non-current assets | 4,245 | 5,091 |
| Total non-current assets | 531,077 | 512,342 |
| Total assets | 844,832 | 808,048 |

| | Previous fiscal year As of December 31, 2023 | (Millions of yen) The third quarter As of September 30, 2024 |
|---|--|---|
| Liabilities and equity | | |
| Liabilities | | |
| Current liabilities: | | |
| Trade and other payables | 116,612 | 122,149 |
| Bonds and debts | 40,979 | 1,000 |
| Lease liabilities | 5,267 | 5,779 |
| Other financial liabilities | 1,111 | 801 |
| Income taxes payables | 4,176 | 2,788 |
| Other current liabilities | 29,297 | 22,935 |
| Total current liabilities | <u>197,443</u> | <u>155,453</u> |
| Non-current liabilities: | | |
| Bonds and debts | 114,802 | 113,840 |
| Lease liabilities | 20,349 | 21,572 |
| Other non-current financial liabilities | 15 | 72 |
| Net defined benefit liabilities | 19,856 | 21,663 |
| Provisions | 1,781 | 1,527 |
| Deferred tax liabilities | 16,757 | 16,516 |
| Other non-current liabilities | 3,809 | 4,176 |
| Total non-current liabilities | <u>177,369</u> | <u>179,365</u> |
| Total liabilities | <u>374,812</u> | <u>334,818</u> |
| Equity: | | |
| Capital stock | 15,232 | 15,232 |
| Capital surplus | 451,389 | 451,490 |
| Retained earnings | 88,365 | 89,790 |
| Treasury shares | (85,362) | (84,896) |
| Accumulated other comprehensive income | 223 | 1,393 |
| Equity attributable to owners of parent | <u>469,847</u> | <u>473,009</u> |
| Non-controlling interests | 174 | 221 |
| Total equity | <u>470,021</u> | <u>473,230</u> |
| Total liabilities and equity | <u>844,832</u> | <u>808,048</u> |

(2) Condensed Quarterly Consolidated Statements of Income and Comprehensive Income
(Condensed Quarterly Consolidated Statements of Income)

| | The cumulative third quarter of previous fiscal year (Nine months ended September 30, 2023) | (Millions of yen) The cumulative third quarter of current fiscal year (Nine months ended September 30, 2024) |
|---|---|---|
| Revenue | 663,825 | 676,612 |
| Cost of sales | 369,229 | 373,090 |
| Gross profit | 294,595 | 303,523 |
| Selling and general administrative expenses | 287,961 | 288,536 |
| Other income | 2,711 | 6,247 |
| Other expenses | 3,225 | 3,681 |
| Investment income on equity method | 1 | 39 |
| Operating income | 6,121 | 17,592 |
| Financial income | 361 | 302 |
| Financial expenses | 535 | 657 |
| Income for the period before income taxes | 5,947 | 17,238 |
| Income tax expense | 2,057 | 7,161 |
| Net income for the period | 3,890 | 10,077 |
| Net income for the period attributable to | | |
| Owners of parent | 3,862 | 10,017 |
| Non-controlling interests | 28 | 60 |
| Basic earnings per share (yen) | 21.53 | 55.79 |
| Diluted earnings per share (yen) | 21.38 | 55.41 |

(Condensed Quarterly Consolidated Statements of Comprehensive Income)

| | (Millions of yen) | |
|---|---|--|
| | The cumulative third quarter of previous fiscal year (Nine months ended September 30, 2023) | The cumulative third quarter of current fiscal year (Nine months ended September 30, 2024) |
| Net income for the period | 3,890 | 10,077 |
| Other comprehensive income | | |
| Items that will not be reclassified subsequently to income or loss: | | |
| Net changes in financial assets measured at fair value through other comprehensive income | 1,155 | 1,112 |
| Subtotal | 1,155 | 1,112 |
| Items that may be reclassified subsequently to income: | | |
| Cash flow hedges | 40 | 218 |
| Subtotal | 40 | 218 |
| Total other comprehensive income for the period | 1,195 | 1,330 |
| Total comprehensive income for the period | 5,085 | 11,408 |
| Comprehensive income attributable to: | | |
| Owners of parent | 5,057 | 11,348 |
| Non-controlling interests | 28 | 60 |

(3) Condensed Quarterly Consolidated Statements of Changes in Equity

The consolidated cumulative third quarter of previous fiscal year (Nine months ended September 30, 2023)

(Millions of yen)

| | Equity attributable to owners of the parent | | | | | Total | Non-controlling interests | Total |
|--|---|-----------------|-------------------|-----------------|--|---------|---------------------------|---------|
| | Capital stock | Capital surplus | Retained earnings | Treasury shares | Accumulated other comprehensive income | | | |
| Balance as of January 1, 2023 | 15,232 | 451,264 | 94,209 | (85,667) | 1,177 | 476,216 | 142 | 476,358 |
| Comprehensive income for the period | | | | | | | | |
| Net income for the period | — | — | 3,862 | — | — | 3,862 | 28 | 3,890 |
| Other comprehensive income | — | — | — | — | 1,195 | 1,195 | — | 1,195 |
| Total comprehensive income for the period | — | — | 3,862 | — | 1,195 | 5,057 | 28 | 5,085 |
| Transactions with owners | | | | | | | | |
| Dividends of surplus | — | — | (9,046) | — | — | (9,046) | — | (9,046) |
| Purchase of treasury shares | — | — | — | (4) | — | (4) | — | (4) |
| Disposal of treasury shares | — | (140) | — | 301 | — | 161 | — | 161 |
| Transactions of share-based payment | — | 281 | — | — | — | 281 | — | 281 |
| Reclassification from accumulated other comprehensive income to retained earnings | — | — | 849 | — | (849) | — | — | — |
| Reclassification from accumulated other comprehensive income to non-financial assets | — | — | — | — | (180) | (180) | — | (180) |
| Total transactions with owners | — | 141 | (8,197) | 298 | (1,029) | (8,787) | — | (8,787) |
| Balance as of September 30, 2023 | 15,232 | 451,405 | 89,874 | (85,369) | 1,343 | 472,485 | 170 | 472,656 |

The consolidated cumulative third quarter of current fiscal year (Nine months ended September 30, 2024)

(Millions of yen)

| | Equity attributable to owners of the parent | | | | | Total | Non-controlling interests | Total |
|--|---|-----------------|-------------------|-----------------|--|---------|---------------------------|---------|
| | Capital stock | Capital surplus | Retained earnings | Treasury shares | Accumulated other comprehensive income | | | |
| Balance as of January 1, 2024 | 15,232 | 451,389 | 88,365 | (85,362) | 223 | 469,847 | 174 | 470,021 |
| Comprehensive income for the period | | | | | | | | |
| Net income for the period | — | — | 10,017 | — | — | 10,017 | 60 | 10,077 |
| Other comprehensive income | — | — | — | — | 1,330 | 1,330 | — | 1,330 |
| Total comprehensive income for the period | — | — | 10,017 | — | 1,330 | 11,348 | 60 | 11,408 |
| Transactions with owners | | | | | | | | |
| Dividends of surplus | — | — | (8,975) | — | — | (8,975) | (17) | (8,993) |
| Purchase of treasury shares | — | — | — | (6) | — | (6) | — | (6) |
| Disposal of treasury shares | — | (183) | — | 472 | — | 289 | — | 289 |
| Transactions of share-based payment | — | 284 | — | — | — | 284 | — | 284 |
| Reclassification from accumulated other comprehensive income to retained earnings | — | — | 384 | — | (384) | — | — | — |
| Reclassification from accumulated other comprehensive income to non-financial assets | — | — | — | — | 224 | 224 | — | 224 |
| Other | — | — | — | — | — | — | 4 | 4 |
| Total transactions with owners | — | 101 | (8,592) | 466 | (160) | (8,185) | (13) | (8,198) |
| Balance as of September 30, 2024 | 15,232 | 451,490 | 89,790 | (84,896) | 1,393 | 473,009 | 221 | 473,230 |

(4) Condensed Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

| | The cumulative third quarter of previous fiscal year (Nine months ended September 30, 2023) | The cumulative third quarter of current fiscal year (Nine months ended September 30, 2024) |
|---|--|---|
| Cash flows from operating activities | | |
| Income for the period before income tax benefit | 5,947 | 17,238 |
| Adjustments for: | | |
| Depreciation and amortization | 34,826 | 34,162 |
| Impairment loss | 159 | 651 |
| Increase in allowance for doubtful accounts | 4 | 12 |
| Interest and dividends income | (134) | (86) |
| Interest expenses | 490 | 587 |
| Share of income of entities accounted for using equity method | (1) | (39) |
| Gain on sale of property, plant and equipment | (2,168) | (5,501) |
| Loss on disposal and sale of property, plant and equipment, and intangible assets | 959 | 857 |
| Increase in trade and other receivables | (32,943) | (6,814) |
| Increase in inventories | (1,765) | (1,180) |
| (Increase) Decrease in other assets | 248 | (3,330) |
| Increase in trade and other payables | 17,839 | 7,694 |
| Increase in net defined benefit liabilities | 1,535 | 1,807 |
| Increase (Decrease) in other liabilities | 6,420 | (5,472) |
| Others | 898 | (25) |
| Subtotal | 32,314 | 40,560 |
| Interest received | 0 | 3 |
| Dividends received | 134 | 84 |
| Interest paid | (505) | (602) |
| Income taxes paid | (3,616) | (7,058) |
| Income taxes refund | 1,963 | 1 |
| Net cash generated from operating activities | 30,291 | 32,987 |
| Cash flows from investing activities | | |
| Payments for acquisitions of property, plant and equipment and intangible assets | (25,588) | (21,979) |
| Proceeds from sales of property, plant and equipment and intangible assets | 4,399 | 9,583 |
| Payments for purchases of other financial assets | (15) | (3) |
| Proceeds from sale of other financial assets | 3,455 | 1,510 |
| Others | 7 | (96) |
| Net cash used for investing activities | (17,741) | (10,986) |

| | The cumulative third quarter of previous fiscal year (Nine months ended September 30, 2023) | (Millions of yen) The cumulative third quarter of current fiscal year (Nine months ended September 30, 2024) |
|--|--|--|
| Cash flows from financing activities | | |
| Repayments of long-term loans payable | (1,000) | (1,000) |
| Redemption of bonds | — | (40,000) |
| Repayments of lease liabilities | (3,988) | (4,798) |
| Proceeds from disposal of treasury shares | 161 | 289 |
| Payments for purchases of treasury shares | (4) | (6) |
| Dividends paid | (9,046) | (8,975) |
| Dividends paid to non-controlling interests | — | (17) |
| Proceeds from sale and leaseback | — | 2,747 |
| Others | — | 4 |
| Net cash used for financing activities | (13,876) | (51,756) |
| Decrease in cash and cash equivalents | (1,326) | (29,756) |
| Cash and cash equivalents at the beginning of the year | 84,074 | 113,660 |
| Cash and cash equivalents at the end of the period | 82,748 | 83,904 |

(5) Notes to Condensed Consolidated Financial Statements

(Notes Relating to Going Concern Assumption)

Not applicable.

(Segment Information)

As the Group operates a single segment of the beverage business, the reportable segment explanation is omitted.

(Subsequent events)

(Resolution of repurchasing and cancellation of treasury shares)

The Company resolved at a meeting of the Board of Directors held on November 6, 2024, to repurchase the Company's own shares pursuant to the provisions of Article 156, paragraph (1) of the Companies Act, as applied by replacing the relevant terms pursuant to the provision of Article 165, paragraph (3) of the same Act, and to cancel the Company's treasury shares pursuant to Article 178 of the Companies Act. The details are described below.

1. Reason for repurchasing and cancellation of treasury shares

The Company recognizes that returning profits to shareholders and improving capital efficiency are important management issues, and as part of a comprehensive shareholder return program to increase shareholder value under our Strategic Business Plan "Vision 2028", we will conduct repurchase and cancellation of the treasury shares.

2. Details of matters related to the repurchasing

- | | |
|--|--|
| (1) Class of shares to be repurchased | : Common shares |
| (2) Total number of shares to be repurchased | : 20,000,000 shares (upper limit) (11.0% of total issued shares outstanding, excluding treasury shares) |
| (3) Total value of share to be repurchased | : 30 billion yen (upper limit) |
| (4) Period of share repurchase | : November 11, 2024 to October 31, 2025 |
| (5) Method of repurchase | : Market purchase through the Tokyo Stock Exchange |

3. Details of matters related to the cancellation

- | | |
|--|---|
| (1) Class of shares to be canceled | : Common shares |
| (2) Total number of shares to be canceled | : 23,000,000 shares (11.2% of total issued shares outstanding prior to cancellation) |
| (3) Scheduled implementation date | : November 11, 2024 |
| (4) Total number of issued shares after cancellation | : 183,268,593 shares |

Notes

1. The treasury shares do not include the Company shares held by Executive reward BIP Trust and Stock-granting ESOP Trust.
2. The treasury shares to be canceled are the treasury shares held by the Company as of today.