

Company name : Suntory Beverage & Food Limited
 (Securities code: 2587, First Section, Tokyo Stock Exchange)
 Representative : Nobuhiro Torii, President
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Notice Concerning Controlling Shareholders

Suntory Beverage & Food Limited (SBF) gives the following notice concerning controlling shareholders.

1. Trade names of parent companies, controlling shareholders (excluding parent companies), other associated companies and parent companies of other associated companies

(As of December 31, 2014)

Name	Relation	Percentage of voting rights (%)			Financial instruments exchange where issued shares are listed
		Direct share	Aggregate share	Total	
Suntory Holdings Limited	Parent	59.48	—	59.48	Not applicable
Kotobuki Realty Co., Ltd.	Parent	—	59.48	59.48	Not applicable

2. Trade name or title of the parent company, etc. deemed to have the greatest influence on the listed company, and reason for same

Trade name or title of the parent company, etc. deemed to have the greatest influence on the listed company	Suntory Holdings Limited
Reason	Largest shareholder in SBF and holder of 59.48% of SBF voting rights

3. Rank of listed company in parent company's group as well as relation and business ties to other listed companies and parent companies

- (1) Rank of SBF in parent company's group as well as relation and business ties to parent company in terms of personnel and capital

Suntory Holdings Limited(SHD: Kita-ku, Osaka-shi, Osaka Prefecture; Capital 70 billion yen) is SBF's parent company, and its largest shareholder with 59.48% of the voting rights (nil aggregate share).

As of March 27, 2015, out of the eight SBF directors, the President and Representative Director, Nobuhiro Torii, also holds concurrent office as Director of SHD. Additionally, one Senior Managing Director of SHD serves concurrently as director of SBF.

(Directors' concurrent offices)

(As of March 27, 2015)

Office	Full name	Office in parent companies	Reason for appointment
President (Representative Director)	Nobuhiro Torii	Director	To participate as a representative of the operating company in the decision making processes of the parent company
Director	Shinichiro Hizuka	Senior Managing Director	To provide appropriate opinions and advice on SBF Group's management

In addition, because SHD is a subsidiary of Kotobuki Realty Co., Ltd., Kotobuki Realty Co., Ltd. is also a parent company of SBF.

As of December 31, 2014 the Suntory Group comprised 330 companies with SHD at the core (SHD, one parent company and 328 subsidiaries and affiliates) engaged in food and liquor manufacturing and sales as well as other business activities.

The main business ties between the Suntory Group, SHD being at the core, and the SBF Group are as follows.

Business description	Business partner
Shipping service contracting	Suntory Logistics Limited
Brand loyalty payments	Suntory Holdings Limited
Indirect service contracting (logistics, procurement, customer service, etc.)	Suntory Business Expert Limited
Coffee bean purchases	SUNCAFÉ Limited

(2) Business constraints, risks and merits of belonging to corporate group of the parent companies

The SBF Group operates businesses that differ from the SHD corporate group, and is not subject to any business constraints. Trade between SBF and the SHD corporate group includes shipping service contracting and brand loyalty payments. These trades offer SBF advantages that include economies of scale for various trades and the use of the Suntory name, SHD's powerful brand.

SBF is not being prevented from pursuing business activities freely by the SHD corporate group.

(3) Impact on management and business activities arising from business ties, personnel ties, and capital ties with the parent company and its Group companies

SHD, SBF's parent company, owns 59.48% of SBF's ordinary issued shares and has the authority to approve or veto basic decisions concerning SBF, including appointment and dismissal of SBF directors and auditors, approval of reorganization including amalgamation, transfer of important business, changes to SBF's constitution, and dividends of surplus. Regardless of the intentions of other shareholders, SHD may have an impact on determinations of all matters that require the approval of a general meeting of shareholders. Moreover, SBF makes its own decisions in regard to management, without any matter for prior approval.

A certain proportion of SBF employees, excluding executives, are permanent employees that have been seconded from SHD. As of the end of December 2014, the number of employees on secondment from SHD to SBF was 272. SBF Group executives belong to SBF. In addition, those other employees remain in the employment of SHD until such time as they are promoted, at which point they are transferred to the SBF roll.

The SBF Group has a license agreement with SHD for use of the corporate brand, Suntory, and is thereby

licensed to use the Suntory name and brand. The condition for use of “Suntory” under that agreement is that SBF belongs to the Suntory Group. SBF pays royalties to SHD under that agreement. In the event that the license agreement is terminated at some time in the future because SBF ceases to be a subsidiary of SHD, the SBF Group’s corporate image and marketing activities may be impacted, and furthermore, extensive investment may be required to build the SBF Group’s own brand.

It has been normal practice for SBF to use SHD Group’s group company loan system and borrow funds from SHD, however, in order to secure SBF’s independence from the Suntory Group in the areas of funds procurement and management, SBF has switched everything to loans from financial institutions.

(4) Stance toward ensuring a certain degree of independence from the parent companies, and measures towards that end

SBF has appointed directors with concurrent offices from SHD, but less than half the SBF directors are SHD directors with concurrent offices, and those appointments were based on requests from SBF, so the company considers it can exercise its own managerial judgment.

(5) Progress toward ensuring a certain degree of independence from the parent companies

While SBF and SHD are in a close relationship in terms of personnel and capital ties, SBF manages the company and makes decisions on the basis of its own responsibilities in regard to its business activities and business judgment, so the company considers that it has ensured independence. There are no matters for prior approval by the parent companies.

4. Trade with controlling shareholders

(1) Trade with companies submitting consolidated financial statements and related parties

Parent companies and major shareholders (companies only) of companies submitting consolidated financial statements

Current consolidated FY (from January 1, 2014 to December 31, 2014)

Not applicable.

(2) Trade with consolidated subsidiaries of companies submitting consolidated financial statements and related parties

Parent companies and major shareholders (companies only) of companies submitting consolidated financial statements

Current consolidated FY (from January 1, 2014 to December 31, 2014)

Not applicable.

5. Implementation of measures to protect minority shareholders when trading with controlling shareholders

In order to protect the interests of its minority shareholders, SBF Group seeks to develop its business on the basis of its own judgment, independent of the controlling shareholders, and has determined to make its decisions concerning the suitability of the decision making process and the trade terms involved in trade with controlling shareholders on the basis of thorough deliberation by the board of directors with the participation of outside directors and outside auditors.

SBF Group strives to protect minority shareholders without influence from the controlling shareholders and without developing its business, making investments, or trading to the advantage of the controlling shareholders.