

KIRIN HOLDINGS COMPANY, LIMITED

SUMMARY OF CONSOLIDATED FINANCIAL RESULTS

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021 (UNDER IFRS)

(UNAUDITED)

November 9, 2021

(English Translation)

Fiscal year ending December 31, 2021

KIRIN HOLDINGS COMPANY, LIMITEDNAKANO CENTRAL PARK SOUTH, 10-2, Nakano 4-chome, Nakano-ku, Tokyo, Japan (URL <https://www.kirinholdings.com/en/>)

Code No.:	2503
Shares Listed:	Tokyo, Nagoya, Sapporo and Fukuoka
Representative:	Mr. Yoshinori Isozaki, President and CEO
For further information, please contact:	Mr. Nobuhiko Hori, General Manager of Corporate Communications Department Telephone: +81-3-6837-7015 from overseas
Submission date of quarterly securities report scheduled:	November 11, 2021
Commencement date of dividend distribution scheduled:	—
Preparation of supplementary documents to the financial results:	Yes
Holding of financial results presentation (for institutional investors and analysts):	Yes

1. Consolidated business results and financial position for the first nine months of the current fiscal year (January 1, 2021 - September 30, 2021)

[Unit: Japanese yen (¥)]

(1) Results of operations (cumulative): (Amounts are rounded to the nearest ¥1 million)
(Percentage change compares current results with those of the same period of the previous year)

	Revenue (¥ millions)	Percentage change (%)	Normalized operating profit (¥ millions)	Percentage change (%)	Profit before tax (¥ millions)	Percentage change (%)
Nine months ended						
September 30, 2021	1,326,547	(2.4)	117,988	(9.4)	100,348	(12.9)
September 30, 2020	1,359,682	(5.4)	130,276	(12.2)	115,201	48.7

	Profit (¥ millions)	Percentage change (%)	Profit attributable to owners of the Company (¥ millions)	Percentage change (%)	Total comprehensive income (¥ millions)	Percentage change (%)
Nine months ended						
September 30, 2021	69,529	(26.1)	51,627	(28.0)	89,678	21.4
September 30, 2020	94,080	90.1	71,751	116.5	73,868	366.9

	Basic earnings per share (¥)	Diluted earnings per share (¥)
Nine months ended		
September 30, 2021	61.93	61.91
September 30, 2020	85.11	85.09

Reference: Operating profit	Nine months ended September 30, 2021	¥78,475 million	(24.8%)
	Nine months ended September 30, 2020	¥104,329 million	70.9%

* Normalized operating profit is a profit indicator for measuring recurring performance which is calculated by deducting cost of sales and selling, general and administrative expenses from revenue.

(2) Financial position:

	Total assets	Total equity	Equity attributable to owners of the Company	Equity ratio attributable to owners of the Company
	(¥ millions)	(¥ millions)	(¥ millions)	(%)
As of				
September 30, 2021	2,408,079	1,120,328	862,138	35.8
December 31, 2020	2,459,363	1,095,939	838,584	34.1

2. Dividends

	Annual dividends				
	First quarter	Second quarter	Third quarter	Year-end	Total
	(¥)	(¥)	(¥)	(¥)	(¥)
Fiscal year ended December 31, 2020	—	32.50	—	32.50	65.00
Fiscal year ending December 31, 2021	—	32.50	—		
Fiscal year ending December 31, 2021 (Forecast)				32.50	65.00

Note: Revision of the forecast from recently announced figures: None

3. Forecast consolidated business results for the current fiscal year (January 1, 2021 - December 31, 2021)

(Percentage change compares forecast results with actual results of the previous year)

	Revenue	Percentage change	Normalized operating profit	Percentage change	Profit before tax	Percentage change
	(¥ millions)	(%)	(¥ millions)	(%)	(¥ millions)	(%)
Fiscal year ending December 31, 2021	1,870,000	1.1	170,000	4.9	158,000	26.9

	Profit	Percentage change	Profit attributable to owners of the Company	Percentage change	Basic earnings per share
	(¥ millions)	(%)	(¥ millions)	(%)	(¥)
Fiscal year ending December 31, 2021	112,500	12.7	86,500	20.2	103.77

Note: Revision of the forecast from recently announced figures: None

Reference: Operating profit Fiscal year ending December 31, 2021 ¥125,500 million 21.9%

* Notes

- (1) Changes in significant subsidiaries for the nine months ended September 30, 2021: Yes
(Changes in specified subsidiaries accompanying change in scope of consolidation)

Newly included: -

Excluded: 2 companies
Lion-Dairy & Drinks Pty Ltd
Berri Pty Limited

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

- i. Changes in accounting policies required by IFRS: None
ii. Changes in accounting policies due to other reasons: None
iii. Changes in accounting estimates: Yes

For details, please see "NOTES TO CONDENSED QUARTERLY CONSOLIDATED FINANCIAL STATEMENTS (CHANGES IN ACCOUNTING ESTIMATES)" on page 10.

- (3) Number of shares outstanding (ordinary shares)

- i. Number of shares outstanding at the end of the period (including treasury shares)
- | | |
|--------------------------|--------------------|
| As of September 30, 2021 | 914,000,000 shares |
| As of December 31, 2020 | 914,000,000 shares |
- ii. Number of treasury shares at the end of the period
- | | |
|--------------------------|-------------------|
| As of September 30, 2021 | 80,411,001 shares |
| As of December 31, 2020 | 80,385,352 shares |
- iii. Average number of shares during the period (cumulative from the beginning of the fiscal year)
- | | |
|--|--------------------|
| For the nine months ended September 30, 2021 | 833,602,121 shares |
| For the nine months ended September 30, 2020 | 843,004,792 shares |

Note: Number of treasury shares at September 30, 2021 and December 31, 2020 includes 388,000 shares held in the BIP (Board Incentive Plan) Trust. These shares are excluded in calculation of the average number of shares during the period.

* The summary of quarterly consolidated financial results is not subject to a quarterly review by certified public accountants or an audit corporation.

* Information about proper usage of forecast business results, and other special instructions

- (1) The statements concerning future performance that are presented in this document are based on judgments using information available to Kirin Holdings and the Kirin Group as of the release date of this material. Certain risks and uncertainties could cause the results of Kirin Holdings and the Kirin Group to differ materially from any projections presented herein. These risks and uncertainties include, but are not limited to, the economic circumstances surrounding the Company's businesses, market trends, and exchange rates.
- (2) The Company will post the Supplementary Documents to the Financial Results today, Tuesday, November 9, and will post the presentation materials and the main Q&A from the financial results presentation (conference call) to be held today on the Company's website as soon as possible.
(URL of the Company's website)
<https://www.kirinholdings.com/en/investors/>

ATTACHED MATERIALS

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1. CONDENSED QUARTERLY CONSOLIDATED FINANCIAL STATEMENTS

(1) CONDENSED QUARTERLY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(¥ millions)

	At December 31, 2020	At September 30, 2021
Assets		
Non-current assets		
Property, plant and equipment	521,919	532,800
Goodwill	245,709	227,687
Intangible assets	209,291	211,471
Equity-accounted investees	387,467	408,234
Other financial assets	105,740	88,982
Other non-current assets	21,162	20,677
Deferred tax assets	101,533	102,964
Total non-current assets	1,592,821	1,592,816
Current assets		
Inventories	217,176	247,749
Trade and other receivables	372,146	298,052
Other financial assets	7,948	6,942
Other current assets	33,941	30,641
Cash and cash equivalents	161,667	231,879
(Sub-total)	792,878	815,263
Assets held for sale	73,664	—
Total current assets	866,542	815,263
Total assets	2,459,363	2,408,079

(¥ millions)

	At December 31, 2020	At September 30, 2021
Equity		
Share capital	102,046	102,046
Share premium	24,940	25,069
Retained earnings	980,903	985,016
Treasury shares	(201,783)	(201,803)
Reserves	(67,522)	(48,189)
Equity attributable to owners of the Company	838,584	862,138
Non-controlling interests	257,355	258,190
Total equity	1,095,939	1,120,328
Liabilities		
Non-current liabilities		
Bonds and borrowings	393,610	448,810
Other financial liabilities	140,343	142,404
Defined benefit liability	66,890	68,350
Provisions	4,456	4,713
Other non-current liabilities	3,408	35,248
Deferred tax liabilities	17,243	15,688
Total non-current liabilities	625,950	715,212
Current liabilities		
Bonds and borrowings	249,033	153,276
Trade and other payables	220,277	205,759
Other financial liabilities	63,781	58,860
Current tax liabilities	8,707	12,690
Provisions	3,961	2,031
Other current liabilities	164,692	139,921
(Sub-total)	710,451	572,538
Liabilities directly associated with assets held for sale	27,024	—
Total current liabilities	737,475	572,538
Total liabilities	1,363,424	1,287,750
Total equity and liabilities	2,459,363	2,408,079

**(2) CONDENSED QUARTERLY CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND
 COMPREHENSIVE INCOME
 CONDENSED QUARTERLY CONSOLIDATED STATEMENT OF PROFIT OR LOSS
 NINE MONTHS ENDED SEPTEMBER 30, 2021**

(¥ millions)

	Nine months ended September 30, 2020	Nine months ended September 30, 2021
Revenue	1,359,682	1,326,547
Cost of sales	768,836	728,239
Gross profit	590,847	598,308
Selling, general and administrative expenses	460,571	480,319
Normalized operating profit	130,276	117,988
Other operating income	3,760	4,045
Other operating expenses	29,707	43,558
Operating profit	104,329	78,475
Finance income	2,507	3,535
Finance costs	5,537	4,355
Share of profit of equity-accounted investees	13,902	22,693
Profit before tax	115,201	100,348
Income tax expense	21,121	30,819
Profit	94,080	69,529
Profit attributable to:		
Owners of the Company	71,751	51,627
Non-controlling interests	22,329	17,901
Profit	94,080	69,529
Earnings per share (¥)		
Basic earnings per share	85.11	61.93
Diluted earnings per share	85.09	61.91

CONDENSED QUARTERLY CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
NINE MONTHS ENDED SEPTEMBER 30, 2021

(¥ millions)

	Nine months ended September 30, 2020	Nine months ended September 30, 2021
Profit	94,080	69,529
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net change in equity instruments measured at fair value through other comprehensive income	(11,888)	995
Share of other comprehensive income of equity-accounted investees	(174)	203
Items that are or may be reclassified to profit or loss		
Foreign currency translation differences on foreign operations	(10,521)	6,664
Cash flow hedges	337	1,286
Share of other comprehensive income of equity-accounted investees	2,034	11,002
Total other comprehensive income	(20,213)	20,149
Comprehensive income	73,868	89,678
Comprehensive income attributable to:		
Owners of the Company	52,131	77,629
Non-controlling interests	21,737	12,049
Comprehensive income	73,868	89,678

(3) CONDENSED QUARTERLY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
NINE MONTHS ENDED SEPTEMBER 30, 2020

(¥ millions)

	Equity attributable to owners of the Company					
	Share capital	Share premium	Retained earnings	Treasury shares	Reserves	
					Net change in equity instruments measured at fair value through other comprehensive income	Remeasurements of defined benefit plans
Balance at January 1, 2020	102,046	24,853	958,292	(124,999)	41,410	—
Profit	—	—	71,751	—	—	—
Other comprehensive income	—	—	—	—	(11,605)	(141)
Comprehensive income	—	—	71,751	—	(11,605)	(141)
Dividends from surplus	—	—	(55,326)	—	—	—
Acquisition of treasury shares	—	—	—	(76,790)	—	—
Disposal of treasury shares	—	(1)	—	2	—	—
Share-based payments	—	34	—	9	—	—
Changes in the ownership interest in a subsidiary without a loss of control	—	33	—	—	(0)	—
Transfer from reserves to retained earnings	—	—	4,982	—	(5,123)	141
Other	—	1	—	—	—	—
Total transactions with owners of the Company	—	67	(50,344)	(76,778)	(5,124)	141
Balance at September 30, 2020	102,046	24,920	979,699	(201,777)	24,682	—

	Equity attributable to owners of the Company				Non-controlling interests	Total equity
	Reserves			Total		
	Foreign currency translation differences on foreign operations	Cash flow hedges	Total			
Balance at January 1, 2020	(94,043)	(983)	(53,615)	906,576	240,249	1,146,825
Profit	—	—	—	71,751	22,329	94,080
Other comprehensive income	(8,211)	336	(19,620)	(19,620)	(592)	(20,213)
Comprehensive income	(8,211)	336	(19,620)	52,131	21,737	73,868
Dividends from surplus	—	—	—	(55,326)	(10,920)	(66,246)
Acquisition of treasury shares	—	—	—	(76,790)	—	(76,790)
Disposal of treasury shares	—	—	—	1	—	1
Share-based payments	—	—	—	44	(144)	(101)
Changes in the ownership interest in a subsidiary without a loss of control	4	—	4	37	393	429
Transfer from reserves to retained earnings	—	—	(4,982)	—	—	—
Other	0	—	0	1	30	31
Total transactions with owners of the Company	4	—	(4,979)	(132,034)	(10,641)	(142,675)
Balance at September 30, 2020	(102,250)	(647)	(78,215)	826,673	251,344	1,078,017

NINE MONTHS ENDED SEPTEMBER 30, 2021

(¥ millions)

	Equity attributable to owners of the Company					
	Share capital	Share premium	Retained earnings	Treasury shares	Reserves	
					Net change in equity instruments measured at fair value through other comprehensive income	Remeasurements of defined benefit plans
Balance at January 1, 2021	102,046	24,940	980,903	(201,783)	24,757	—
Profit	—	—	51,627	—	—	—
Other comprehensive income	—	—	—	—	1,526	198
Comprehensive income	—	—	51,627	—	1,526	198
Dividends from surplus	—	—	(54,184)	—	—	—
Acquisition of treasury shares	—	—	—	(22)	—	—
Disposal of treasury shares	—	(0)	—	1	—	—
Share-based payments	—	74	—	—	—	—
Changes in the ownership interest in a subsidiary without a loss of control	—	56	—	—	—	—
Transfer from reserves to retained earnings	—	—	6,669	—	(6,471)	(198)
Other	—	—	—	—	—	—
Total transactions with owners of the Company	—	129	(47,515)	(21)	(6,471)	(198)
Balance at September 30, 2021	102,046	25,069	985,016	(201,803)	19,811	—

	Equity attributable to owners of the Company				Non-controlling interests	Total equity
	Reserves			Total		
	Foreign currency translation differences on foreign operations	Cash flow hedges	Total			
Balance at January 1, 2021	(91,702)	(577)	(67,522)	838,584	257,355	1,095,939
Profit	—	—	—	51,627	17,901	69,529
Other comprehensive income	22,990	1,289	26,002	26,002	(5,852)	20,149
Comprehensive income	22,990	1,289	26,002	77,629	12,049	89,678
Dividends from surplus	—	—	—	(54,184)	(11,179)	(65,364)
Acquisition of treasury shares	—	—	—	(22)	—	(22)
Disposal of treasury shares	—	—	—	1	—	1
Share-based payments	—	—	—	74	(155)	(81)
Changes in the ownership interest in a subsidiary without a loss of control	—	—	—	56	90	146
Transfer from reserves to retained earnings	—	—	(6,669)	—	—	—
Other	—	—	—	—	31	31
Total transactions with owners of the Company	—	—	(6,669)	(54,076)	(11,213)	(65,289)
Balance at September 30, 2021	(68,712)	712	(48,189)	862,138	258,190	1,120,328

(4) CONDENSED QUARTERLY CONSOLIDATED STATEMENT OF CASH FLOWS

(¥ millions)

	Nine months ended September 30, 2020	Nine months ended September 30, 2021
Cash flows from operating activities		
Profit before tax	115,201	100,348
Depreciation and amortization	60,074	59,168
Impairment losses	7,948	27,459
Interest and dividends received	(2,027)	(1,717)
Share of profit of equity-accounted investees	(13,902)	(22,693)
Interest paid	3,614	3,511
Gain on sale of property, plant and equipment and intangible assets	(1,229)	(1,362)
Loss on disposal and sale of property, plant and equipment and intangible assets	1,209	1,028
Gain on sale of shares of subsidiaries	(42)	(23)
(Increase) decrease in trade receivables	65,175	75,551
(Increase) decrease in inventories	(16,272)	(23,620)
Increase (decrease) in trade payables	(7,623)	(7,164)
Increase (decrease) in liquor taxes payable	(24,319)	(30,183)
Increase (decrease) in deposits received	(11,532)	(9,418)
Other	(23,936)	28,340
Sub-total	152,341	199,225
Interest and dividends received	16,129	14,529
Interest paid	(3,613)	(3,191)
Income taxes paid	(40,735)	(18,530)
Cash flows from (used in) operating activities	124,121	192,032

(¥ millions)

	Nine months ended September 30, 2020	Nine months ended September 30, 2021
Cash flows from investing activities		
Acquisition of property, plant and equipment and intangible assets	(72,777)	(62,972)
Proceeds from sale of property, plant and equipment and intangible assets	1,549	3,719
Acquisition of investments	(551)	(2,737)
Proceeds from sale of investments	15,760	20,334
Acquisition of shares of subsidiaries, net of cash acquired	(39,628)	—
Proceeds from sale of shares of subsidiaries, net of cash disposed of	18	42,886
Acquisition of equity-accounted investees	(1,955)	(105)
Proceeds from sale of equity-accounted investees	—	5,101
Other	(2,666)	(21)
Cash flows from (used in) investing activities	(100,250)	6,204
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	64,986	(174)
Increase (decrease) in commercial paper	(11,998)	(55,002)
Proceeds from long-term borrowings	135,000	1,000
Repayment of long-term borrowings	(45,900)	(20,000)
Proceeds from issuance of bonds	49,961	70,000
Payment for redemption of bonds	(20,000)	(40,000)
Repayment of lease liabilities	(13,017)	(13,658)
Payment for acquisition of treasury shares	(76,797)	(29)
Payment for acquisition of treasury shares by a consolidated subsidiary	(9)	(17)
Payment for settlement of derivatives	(5,018)	—
Dividends paid	(55,326)	(54,184)
Dividends paid to non-controlling interests	(14,788)	(11,179)
Other	(498)	(239)
Cash flows from (used in) financing activities	6,595	(123,483)
Effect of exchange rate changes on cash and cash equivalents	(2,217)	(4,542)
Net increase (decrease) in cash and cash equivalents	28,248	70,212
Cash and cash equivalents at beginning of period	165,671	161,667
Cash and cash equivalents at end of period	193,919	231,879

(5) NOTES TO CONDENSED QUARTERLY CONSOLIDATED FINANCIAL STATEMENTS

(GOING CONCERN ASSUMPTION)

There are no matters to report under this item.

(CHANGES IN ACCOUNTING ESTIMATES)

Estimates and assumptions that have significant effects on the amounts recognized in the condensed quarterly consolidated financial statements are the same as those in the previous year in principle, except for the following matter. Considering the outlook for a continuing high level of uncertainty of operating environment and increase in the country risk due to the circumstances in Myanmar in turmoil caused by the coup d'état which occurred in February 2021, an impairment test was performed for certain business assets related to the Alcoholic Beverages business in Myanmar based on the latest available information at June 30, 2021. As a result, impairment losses of goodwill for the Alcoholic Beverages business in Myanmar of 21,429 million yen were recognized for the six months ended June 30, 2021. The recoverable amount was measured at value in use which was calculated reflecting past experience and external information, and estimated cash flows based on the business plan approved by management were discounted to the present value.

As stated in the "Statement on the situation in Myanmar" news release published on February 5 2021, Kirin Holdings decided to terminate the current joint-venture partnership between Kirin Holdings and Myanma Economic Holdings Public Company Limited (MEHPCL), and discussions with MEHPCL regarding dissolution continue. In addition, dividend payments from Myanmar Brewery Limited to Kirin Holdings and MEHPCL continue to be suspended in view of a significant lack of visibility regarding the future business environment for the Myanmar joint-ventures.

**Supplementary Documents to
the Consolidated Financial Statements
for the Nine Months Ended September 30, 2021**

1. Summary of Consolidated Statement of Financial Position
2. Summary of Consolidated Statement of Profit or Loss, Indices, etc.
3. Revenue Details
4. Profit Details
5. Summary of Consolidated Statement of Cash Flows

**KIRIN HOLDINGS COMPANY, LIMITED
November 9, 2021**

1. SUMMARY OF CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(¥ billions)

	As of September 30, 2021, Actual	As of December 31, 2020, Actual	Increase (decrease)	Description of changes
Non-current assets	1,592.8	1,592.8	(0.0)	
Property, plant and equipment	532.8	521.9	10.9	
Goodwill	227.7	245.7	(18.0)	
Intangible assets	211.5	209.3	2.2	
Equity-accounted investees	408.2	387.5	20.8	
Other	212.6	228.4	(15.8)	
Current assets	815.3	866.5	(51.3)	
Inventories	247.7	217.2	30.6	
Trade and other receivables	298.1	372.1	(74.1)	Decrease due to the year-end of previous year being a bank holiday, etc.
Cash and cash equivalents	231.9	161.7	70.2	
Other	37.6	115.6	(78.0)	Decrease in assets held for sale, etc.
Total assets	2,408.1	2,459.4	(51.3)	
Equity	1,120.3	1,095.9	24.4	
Equity attributable to owners of the Company	862.1	838.6	23.6	
Non-controlling interests	258.2	257.4	0.8	
Non-current liabilities	715.2	625.9	89.3	
Bonds and borrowings	448.8	393.6	55.2	Increase due to issuance of bonds, etc.
Other	266.4	232.3	34.1	
Current liabilities	572.5	737.5	(164.9)	
Bonds and borrowings	153.3	249.0	(95.8)	Decrease in commercial paper, etc.
Trade and other payables	205.8	220.3	(14.5)	
Other	213.5	268.2	(54.7)	Decrease in accrued liquor tax, decrease in liabilities directly associated with assets held for sale, etc.
Total liabilities	1,287.8	1,363.4	(75.7)	
Total equity and liabilities	2,408.1	2,459.4	(51.3)	

2. SUMMARY OF CONSOLIDATED STATEMENT OF PROFIT OR LOSS, INDICES, etc.

(1) Condensed Statement of Profit or Loss, Indices, etc.

(¥ billions)

	Nine months ended September 30, 2021, Actual	Nine months ended September 30, 2020, Actual	Increase (decrease)	
Revenue	1,326.5	1,359.7	(33.1)	(2.4%)
Gross profit	598.3	590.8	7.5	1.3%
Selling, general and administrative expenses	480.3	460.6	19.7	4.3%
Normalized operating profit	118.0	130.3	(12.3)	(9.4%)
Other operating income	4.0	3.8	0.3	7.6%
Other operating expenses	43.6	29.7	13.9	46.6%
Operating profit	78.5	104.3	(25.9)	(24.8%)
Finance income	3.5	2.5	1.0	41.0%
Finance costs	4.4	5.5	(1.2)	(21.4%)
Share of profit of equity-accounted investees	22.7	13.9	8.8	63.2%
Profit before tax	100.3	115.2	(14.9)	(12.9%)
Income tax expense	30.8	21.1	9.7	45.9%
Profit	69.5	94.1	(24.6)	(26.1%)
Owners of the Company	51.6	71.8	(20.1)	(28.0%)
Non-controlling interests	17.9	22.3	(4.4)	(19.8%)
Normalized EPS	¥106	¥106	—	—
Revenue (excluding liquor tax)	1,118.0	1,159.9	(41.9)	(3.6%)
Normalized operating profit ratio (excluding liquor tax)	10.6%	11.2%		
Normalized EBITDA	176.6	190.0	(13.3)	(7.0%)
Gross Debt Equity Ratio	0.70	0.85		

Normalized EPS = Normalized profit / Average number of shares outstanding during the period

Normalized profit = Profit attributable to Owners of the Company ± Other operating income and expenses and other items after income taxes

Normalized EBITDA = Normalized operating profit + Depreciation and amortization* + Dividends received from equity-accounted investees

* Depreciation and amortization exclude those from right-of-use assets

(2) Exchange Rate for the Consolidation of Profit or Loss of the Major Overseas Companies

(¥)

	Nine months ended September 30, 2021, Actual	Nine months ended September 30, 2020, Actual
Lion (AUD)	82.41	73.23
Myanmar Brewery (MMK ('000))	69.78	77.37
Coke Northeast (USD)	109.11	107.25

(3) Period for the Consolidation of Profit or Loss of the Major Overseas Company

	Nine months ended September 30, 2021, Actual	Nine months ended September 30, 2020, Actual
San Miguel Brewery	From October 2020 to June 2021	From October 2019 to June 2020

3. REVENUE DETAILS

(1) Revenue Details

(¥ billions)

	Nine months ended September 30, 2021, Actual	Nine months ended September 30, 2020, Actual	Increase (decrease)	
Revenue	1,326.5	1,359.7	(33.1)	(2.4%)
Japan Beer and Spirits	485.0	479.2	5.9	1.2%
Kirin Brewery	467.9	464.2	3.7	0.8%
Other and elimination	17.2	15.0	2.2	14.5%
Japan Non-alcoholic Beverages	182.4	190.6	(8.2)	(4.3%)
Kirin Beverage	184.0	192.1	(8.1)	(4.2%)
Elimination	(1.6)	(1.5)	(0.1)	—
Oceania Adult Beverages	153.3	205.7	(52.4)	(25.5%)
Lion	153.3	205.7	(52.5)	(25.5%)
Elimination	(0.0)	(0.0)	0.0	—
Pharmaceuticals	253.6	233.6	20.0	8.6%
Kyowa Kirin	254.0	234.0	20.0	8.5%
Elimination	(0.4)	(0.4)	0.0	—
Other	252.3	250.6	1.7	0.7%
Mercian	40.7	43.9	(3.2)	(7.4%)
Myanmar Brewery	14.3	24.2	(9.9)	(40.9%)
Coke Northeast	113.8	98.8	15.0	15.2%
Kyowa Hakko Bio	37.5	43.4	(5.8)	(13.5%)
Other and elimination	46.0	40.3	5.7	14.1%

Oceania Integrated Beverages has been renamed Oceania Adult Beverages due to the sale of Lion Dairy and Drinks business, effective from 2021. In addition, the descriptions of "Beer, Spirits, and Wine" and "Dairy and Drinks" of Lion have been omitted from 2021.

(Reference) Revenue excluding liquor tax

(¥ billions)

	Nine months ended September 30, 2021, Actual	Nine months ended September 30, 2020, Actual
Kirin Brewery	272.9	277.4

(2) Sales Volume Details of Major Business Companies

a. Kirin Brewery

	Nine months ended September 30, 2021		Nine months ended September 30, 2020	
	Actual	Increase (decrease)	Actual	Increase (decrease)
Sales volume	Thousand KL		Thousand KL	
Beer	—	6.3%	—	(25.0%)
<i>Happo-shu</i>	—	2.0%	—	(4.0%)
New genre	—	(15.3%)	—	8.6%
Sub-total	—	(5.8%)	—	(5.0%)
RTD	337	9.4%	309	9.4%
Non-alcohol beverages	38	13.5%	33	21.3%

Kirin Brewery's sales volume will only be disclosed in the 2nd and 4th quarter in accordance with the agreement made by the Brewers Association of Japan.

b. Kirin Beverage Group

	Nine months ended September 30, 2021		Nine months ended September 30, 2020	
	Actual	Increase (decrease)	Actual	Increase (decrease)
Category	10,000 cases		10,000 cases	
Black tea	3,546	(4.2%)	3,702	(9.4%)
Japanese tea	2,339	(6.0%)	2,489	(5.3%)
Coffee	1,881	10.2%	1,706	(12.5%)
Fruit and vegetable juice	1,901	6.6%	1,783	(5.3%)
Carbonated beverage	1,039	(15.5%)	1,230	(21.4%)
Functional beverage	949	8.8%	872	(5.9%)
Water	2,798	(15.0%)	3,292	1.7%
Other	1,156	(13.0%)	1,329	(11.8%)
Total	15,610	(4.8%)	16,404	(7.8%)
Container Type				
Can	1,779	(8.0%)	1,934	(16.7%)
Large-sized PET bottles (2L, 1.5L, etc.)	5,166	(14.4%)	6,037	(0.1%)
Small-sized PET bottles (500ml, 280ml, etc.)	7,218	2.1%	7,071	(10.5%)
Other	1,446	6.2%	1,362	(10.3%)
Total	15,610	(4.8%)	16,404	(7.8%)

4. PROFIT DETAILS

(1) Normalized Operating Profit Details

(¥ billions)

	Nine months ended September 30, 2021, Actual	Nine months ended September 30, 2020, Actual	Increase (decrease)	
Normalized operating profit	118.0	130.3	(12.3)	(9.4%)
Japan Beer and Spirits	49.7	63.2	(13.5)	(21.4%)
Kirin Brewery	47.6	60.9	(13.3)	(21.9%)
Others	2.1	2.3	(0.2)	(7.8%)
Japan Non-alcoholic Beverages	17.6	18.4	(0.8)	(4.3%)
Kirin Beverage	17.6	18.4	(0.8)	(4.3%)
Oceania Adult Beverages	14.5	9.7	4.8	49.5%
Lion	14.5	9.7	4.8	49.5%
Pharmaceuticals	45.6	50.2	(4.6)	(9.2%)
Kyowa Kirin	45.6	50.2	(4.6)	(9.2%)
Other	23.5	19.8	3.8	19.1%
Mercian	1.2	1.8	(0.6)	(31.1%)
Myanmar Brewery	5.4	10.7	(5.3)	(49.4%)
Coke Northeast	12.2	6.6	5.6	85.0%
Kyowa Hakko Bio	0.9	(3.6)	4.5	—
Others	3.8	4.2	(0.4)	(10.3%)
Corporate expenses and inter-segment eliminations	(33.0)	(31.0)	(1.9)	—

Each normalized operating profit in each segment is calculated by adding back management fees paid to the Company to normalized operating profit.

Oceania Integrated Beverages has been renamed Oceania Adult Beverages due to the sale of Lion Dairy and Drinks business, effective from 2021. In addition, the descriptions of "Beer, Spirits, and Wine", "Dairy and Drinks" and "Corporate" of Lion have been omitted from 2021.

(2) Normalized Operating Profit Breakdown of Major Business Companies

(¥ billions)

Company name	Major factors	Increase (decrease)	Description
Kirin Brewery	Decrease in marginal profit of alcohol beverages, etc.	(2.5)	Total beer products (5.6) Sales increase in beer 19 thousand KL Sales increase in <i>happo-shu</i> 6 thousand KL Sales decrease in new genre (97) thousand KL Total products other than beer products 2.2 Sales increase in RTD 29 thousand KL Sales increase in non-alcohol beverages 5 thousand KL, etc. Difference of change in composite of products, etc. 1.0
	Decrease in raw material cost of alcohol beverages	0.1	
	Increase in selling expenses	(11.6)	Increase in sales promotion (2.3), and increase in advertising (9.3) (Total 38.2→49.8)
	Decrease in other expenses	0.7	
Total		(13.3)	
Kirin Beverage	Decrease in marginal profit of soft drink beverages	(4.1)	Decrease in sales volume (7.95) million cases (3.7) Difference of change in products mix and composition ratio of containers, etc. (0.4)
	Decrease in raw material cost, etc.	0.1	Increase in raw material cost (0.5), decrease in material cost 0.6, and increase in processing cost (0.1)
	Decrease in selling expenses	3.1	Decrease in sales promotion 2.9, and decrease in advertising 0.2 (Total 22.0→19.0)
	Decrease in other expenses	0.1	
Total		(0.8)	

(3) Other Operating Income and Other Operating Expenses

(¥ billions)

	Nine months ended September 30, 2021, Actual	Nine months ended September 30, 2020, Actual	Increase (decrease)
Other operating income	4.0	3.8	0.3
Gain on sale of property, plant and equipment and intangible assets	1.4	1.2	0.1
Gain on sale of shares of subsidiaries	0.0	0.0	(0.0)
Other	2.7	2.5	0.2
Other operating expenses	43.6	29.7	13.9
Impairment losses	27.5	7.9	19.5
Business restructuring expenses	1.0	4.0	(3.0)
Software development expenses	9.3	10.9	(1.6)
Loss on disposal and sale of property, plant and equipment and intangible assets	1.2	1.3	(0.1)
Other	4.6	5.6	(1.0)

(4) Finance Income, Finance Costs, Share of Profit of Equity-accounted Investees, etc.

(¥ billions)

	Nine months ended September 30, 2021, Actual	Nine months ended September 30, 2020, Actual	Increase (decrease)
Finance income	3.5	2.5	1.0
Interest income	1.2	1.3	(0.1)
Dividend income	0.5	0.7	(0.2)
Foreign exchange gains (net)	1.3	—	1.3
Other	0.5	0.5	0.0
Finance costs	4.4	5.5	(1.2)
Interest paid	3.5	3.6	(0.1)
Foreign exchange losses (net)	—	0.4	(0.4)
Other	0.8	1.6	(0.7)
Share of profit of equity-accounted investees	22.7	13.9	8.8
San Miguel Brewery	17.0	12.8	4.2
Other	5.7	1.1	4.5

5. SUMMARY OF CONSOLIDATED STATEMENT OF CASH FLOWS

(¥ billions)

	Nine months ended September 30, 2021, Actual	Nine months ended September 30, 2020, Actual	Increase (decrease)
Cash flows from operating activities	192.0	124.1	67.9
Profit before tax	100.3	115.2	(14.9)
Depreciation and amortization	59.2	60.1	(0.9)
Other	32.5	(51.2)	83.7
Cash flows from investing activities	6.2	(100.3)	106.5
Acquisition of property, plant and equipment and intangible assets	(63.0)	(72.8)	9.8
Other	69.2	(27.5)	96.6
Cash flows from financing activities	(123.5)	6.6	(130.1)
Increase (decrease) in interest-bearing liabilities	(44.2)	172.0	(216.2)
Dividends paid	(65.4)	(70.1)	4.8
Other	(13.9)	(95.3)	81.4
Exchange rate changes.	(4.5)	(2.2)	(2.3)
Net increase (decrease) in cash and cash equivalents	70.2	28.2	42.0