



**KIRIN**

Joy brings us together

# **Kirin Group**

## **Financial Results for 1Q FY2023**

May 11, 2023  
Kirin Holdings Company, Limited

# Summary of 1Q FY2023 Results

## 1Q FY2023 Results

- Consolidated Revenue increased by +8.1% YoY and Normalized operating profit (OP) increased by +29.5% despite the impact of raw material cost hikes, etc.
- Profit before tax decreased by -29.6% due to the foreign currency translation difference resulting from the exclusion of the Myanmar business
- Profit attributable to owners of the Company decreased by -67.9%, mainly due to an increase in the corporate tax rate etc.
- Normalized EPS increased by +8 yen YoY due to an increase in consolidated Normalized OP and share of profit of equity-accounted investees

# 1Q FY2023 Results

- Steady start to the business by implementing profit improvement measures, despite cost increases in raw materials, etc.
- Increased in all profit levels, except for foreign currency translation difference (approx. 19.0 billion yen) \*

(bn yen)	1Q FY2023 Actual	1Q FY2022 Actual	YoY	%
Revenue	450.3	416.7	33.6	8.1%
Normalized OP **	33.6	25.9	7.7	29.5%
Profit before tax	20.1	28.5	-8.4	-29.6%
Profit attributable to owners of the Company	5.6	17.4	-11.8	-67.9%

Quantitative Target	1Q FY2023 Actual	1Q FY2022 Actual	YoY	%
Normalized EPS ***	32 yen	24 yen	8 yen	33.3%

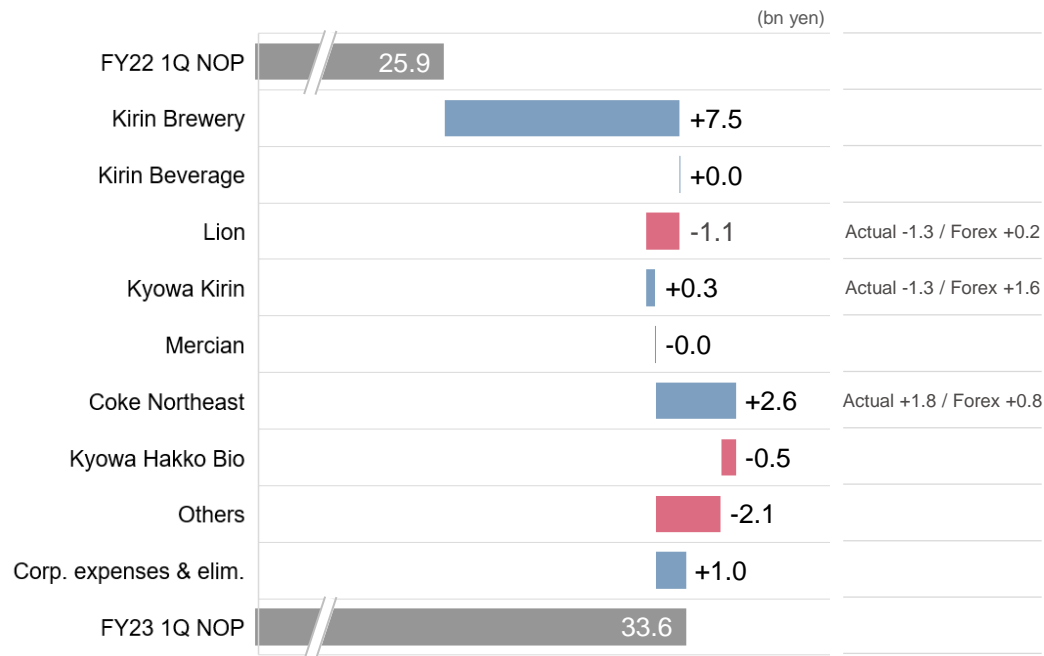
\*IFRS name is "Foreign currency translation differences on foreign operations." Exchange rate difference when converting BS of overseas subsidiaries into yen. Normally, the accumulated amount is recorded in the equity section of BS every year, but when the company is sold or liquidated, the accumulated amount is recorded as loss on sales of share of subsidiaries in other operating expenses section of PL

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

\*\*\* See page 12 for details.

# Changes in Consolidated Normalized OP by Company

- Steady increase in Normalized OP for the Group due to Kirin Brewery etc, which experienced a recovery in the on-premise channels and some expenses differing from the previous period.



## Kirin Brewery

- Significantly increased due to recovery in the on-premise channels and the effect of price revisions, as well as the timing of marketing investment differing from the previous period.

## Kirin Beverage

- Remained at the same level as the previous year due to improvement in product and container mix, including the effect of price revisions despite the cost increase in raw material.

## Lion

- Decreased due to increased marketing investment in the core brands, despite higher revenue.

## Kyowa Kirin

- Increased due to higher overseas sales revenue and technology out-licensing revenue despite an increase in SG&A expenses.

## Cork Northeast

- Increased due to sales growth resulting from price revisions, etc.

## Kyowa Hakko Bio

- Decrease due to worsening profitability caused by soaring raw material costs, etc.

## Other

- Including -1.8 billion yen impact of the exclusion of Myanmar Brewery

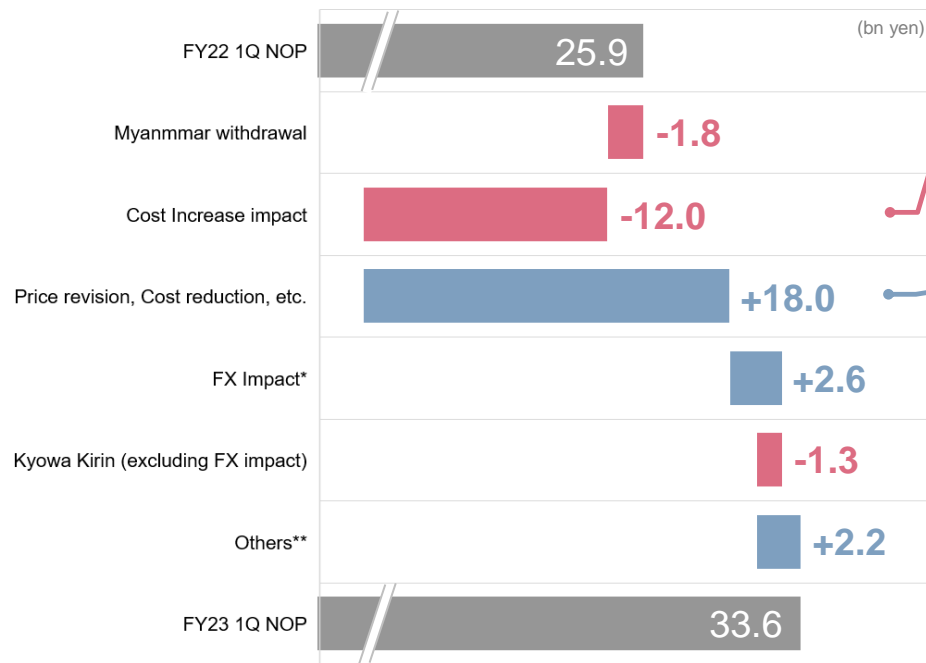
## Corporate Expenses and Inter-Segment Eliminations

- Mainly due to decrease in inter-segment eliminations

"Other" includes "Other" within the "Japan Beer and Spirits" segment.

# Changes in Consolidated Normalized OP by Factor

➤ Exclusion of Myanmar business and higher costs, were offset by price revisions and cost reductions, etc.



\* FX impact is the total of the Forex impact of Lion, Kyowa Kirin, and Coke Northeast shown on page 4.

\*\* "Others" is the total impact of increase/decrease in sales volume, marketing investment, corporate expenses, etc. in each business.

## 1Q Results Cost Hike impact

**Consolidated total: approx. 12.0 bn yen**

Kirin Brewery Approx. 4.0 bn yen    Kirin Beverage Approx. 2.0 bn yen  
Lion Approx. 3.0 bn yen    Coke Northeast Approx. 1.0 bn yen    etc

Main items: raw material costs, fuel costs, transportation costs, labor costs, etc.

## 1Q Results Price revision, cost reduction etc.

**Consolidated total: approx. 18.0 bn yen**

Kirin Brewery Approx. 8.0 bn yen    Kirin Beverage Approx. 4.0 bn yen  
Lion Approx. 3.0 bn yen    Coke Northeast Approx. 2.0 bn yen    etc

\*Main items: Price revision impact, SCM cost reduction, and other SG&A cost reduction etc.  
(Measures to increase sales volume and to improve the mix are not included.)

## Annual Forecast

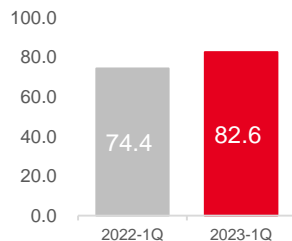
At this point, there is no major change in the outlook from the initial plan.

**Cost Hike impact Approx. 50.0-55.5 bn yen**

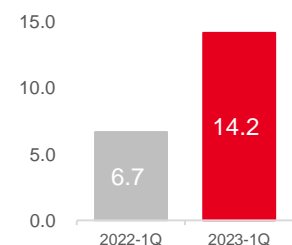
**Price revision, cost reduction etc Approx. 65.0-70.0 bn yen**

## 1Q Results

Liquor tax excluded  
Revenue (bn yen)



Normalized OP (bn yen)



Recovery in the on-premise channels and price revision, etc. resulted in an increase in unit price, achieving higher revenue. Will aim for high profitability by strengthening core brands through renewals and introducing new high value-added products.

### Progress during January - March

#### ► Establish a strong brand system

**KIRIN ICHIBAN Brand Family Total +12%\***

- On-premise channels remained strong as re-opening progressed.
- Can volume decreased, but mix improved due to the increase in unit price as a result of price revision.

### Initiatives from April

#### **KIRIN ICHIBAN Brand Family Renewal**

- Renewal period: **KIRIN ICHIBAN**: April,
- Kirin Ichiban Zero Sugar**: peak season (summer)



#### ► Cultivate new growth engines and improve profitability

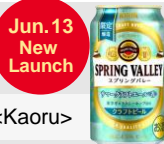
**SPRING VALLEY Brand Total +6%\***

- Renewal has also been implemented, and brand awareness and purchase rates are steadily expanding.



#### **SPRING VALLEY Brand New Product Launch**

- Launch a limited Summer Craft Ale <Kaoru>



#### **Home Tap: Strengthen Efforts to Attract New Subscribers**

- Acquired trial subscribers through the "Dreaming One-Month Trial Plan\*\*". Will aim to expand to a wide range of consumers and secure permanent subscriptions.
- Focused on retention through lineup expansion. Continued to achieve a high level of satisfaction.



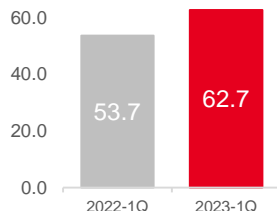
#### **High Value-Added RTD New Product Launch**

- Launch **Kirin Hyakunen Kiwami Lemon Sour**

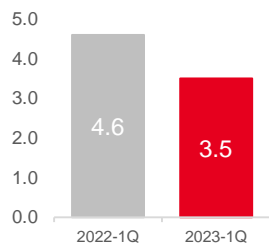


## 1Q Results

Revenue (bn yen)



Normalized OP (bn yen)



Revenue increased due to higher sales volume, mainly due to a recovery in On-premise, and the effect of price revisions. Will aim to sustainable growth by continuing to prioritise its marketing investment and enhance brewing capacity.

### Progress during January-March

### Initiatives from April

#### Australia

#### ➤ Growth through brand enhancement

Total On/Off-premise

**+4%\***

- On-premise channels increased **+double digit %\***

Growth of Core brands\*\*

**+ mid-digit %\***

- The new launch of Hahn Ultra Low Carb also contributed to Hahn brand total up 20% YoY.



Promotion of premiumization

**+ mid-digit %\***

- Revenue increased **more than 10%.**
- Fermentum remained strong due to packaging refresh.



**Core brands achieving Growth by investment in marketing**



- Strengthening Core brands, XXXX and Tooheys, through promotional initiatives in the lead up to State of Origin \*\*\* in May.



**Further Expansion of Fermentum**

- Strengthening brewing capacity with sales volume expansion

#### US

#### ➤ Maximizing US Platform

New Belgium Brewing, Bell's Brewery Total

**+3%\***

- The Voodoo Ranger family performed strongly including the newly-launched product-Fruit Force.
- Started brewing the Voodoo Ranger family at Bell's Brewery.

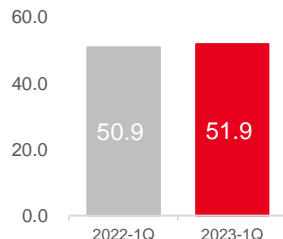


**Enhance brewing capacity**

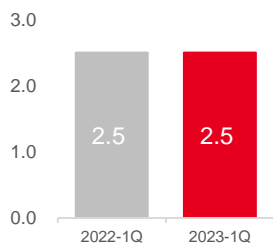
- Acquisition of Daleville (State of Virginia) brewery enhances brewing capacity for further growth.

## 1Q Results

Revenue (bn yen)



Normalized OP (bn yen)



Despite a decrease in sales volume, revenue increased due to the implementation of price revisions last year and growth in the Health Science domain. Will aim to acquire demand in the peak season by launching new products in the Health Science domain and renewal of core brands.

### Progress during January - March

#### ► Focus on Health Science Domain

Revenue

**+8%\***

- Focus on LC-Plasma beverages  
Revenue approx. **+20%\***



### Initiatives from April

#### Launch of New LC-Plasma and FANCL Collaboration Products

- Immune Care x Hydration "Kirin Plasma Sports"
- FANCL collaboration products "Calolimit Apple Sparkling" and "Amino SUPLI Plus"



Apr. Launch

#### Launch Calolimit Blended Tea

FANCL x KIRIN

2nd half of the year



#### ► Reinforce Core Brands (Gogo-no-Kocha and Nama-cha)

Total revenue of both brands

**+6%\***

Strong performance for Gogo-no-Kocha Oishii Muto (sugar-free) with the contribution of the launch of Oishii Muto (sugar-free) Milk Tea



#### Renewal of Core Brands

- Nama-cha: renewal in April
- Gogo-no-Kocha (3 standard products): renewal in June



#### ► Initiatives to Improve Profit Margins

Small PET (Total of PET 600ml and under) Increase in composition ratio

**+6.0ppt**

#### Strengthen Sales of Small PET Bottles such as "Kirin Oishii Immune Care"

- Accelerate the penetration of immune care by immune care recommendation advertisements and in-store promotion of "Kirin Oishii Immune Care"
- Consideration of expanding the "Kirin Oishii Immune Care" product lineup

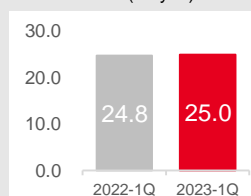


Mar. 28 New Launch

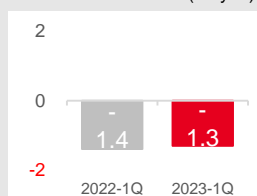


## Health Science Domain

Revenue (bn yen)



Normalized OP (bn yen)



\*Approximate figures

\*Aggregate figures for administrative purposes, including health science related products of Kirin Brewery and Kirin Beverage

## Progress during January - March

## Initiatives from April

### Accelerate Growth of LC-Plasma

LC-Plasma related revenue (YoY) **over +20%**

- Out-licensing progressed, and product lineup expanded

### Further Lineup Expansion

### Encourage Immune Care through Government and Private Sector Partnership

Conduct marketing activities reflecting consumer insight on "protecting your own health and well-being" in response to downgrade the COVID-19 category to Class 5\*

May 23  
New  
Launch



Kirin iMUSE Immune Care + Muscle Support



### Steady Progress in Specialty Materials, etc.

Citicoline **Strong sales for health food in the U.S.**

### Announced Acquisition Proposal of Blackmores

For more information



### Driving Growth of Global Strategic Products (YoY growth rate for Japan and overseas, Yen-basis)



**+22%**



**+33%**

### Topics

Crysvita

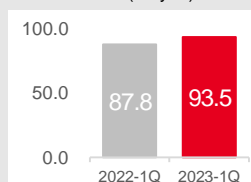
**Start own sales in North America from April**

RTA 402

**Discontinuation of Development**

## Kyowa Kirin

Revenue (bn yen)



Normalized OP (bn yen)



## Environment

### GPIF\* Released "Outstanding TCFD Disclosure" Received the highest number of votes for the two consecutive year

- Selected as excellent disclosures in all four disclosure categories ("Governance," "Strategy," "Risk Management," and "Metrics and Objectives")

#### Reasons

- "The thoroughness and depth of the work on each of the issues related to climate change is at a level that will serve as a model for other companies and is highly regarded."
- "The report is extremely comprehensive in all four elements required by the TCFD and is interesting to read."
- "In addition to the details of the initiatives, the report describes the progress made over the past year, making it easy to understand the changes."

### First in Japan\*\* for PET bottles for alcoholic beverages!

### Introduction of Chemical Recycled Resin

- Adopted chemically recycled resin for 3L plastic bottles used in "Tap Marché" and "TAPPY" beer servers at restaurants



### Participation as one of the four pilot companies worldwide in a workshop on scenario analysis stated by the TNFD (Task Force on Nature-Related Financial Disclosures)

- Pilot program conducted at New Belgium Brewing (US) was published in the beta framework (v0.4) released in March.

Details ▼



## Social

### Nagasaki University presented the results of a specified clinical trial on the use of *L. lactis* strain Plasma for patients with COVID-19

- Confirmation of prevention of pDC reduction, rapid decrease of SARS-CoV-2 and early recovery of smell and taste dysfunction.
- The findings from this specific clinical study have been jointly filed a patent application by Nagasaki University and Kirin.

Details ▼



### Promoted health management

1. Established an "Alliance for Health and Productivity Management"
2. Obtained the "Health and Productivity Management Award 2023 (White 500)" certification for seven consecutive years



### "KIRIN Now", an internal branding website, won the first-place award for "Keidanren Recommended Company Newsletter Review"

- Won the "first-place award", the highest award out of 198 entries



# Appendix

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# Normalized EPS Details

(bn yen)		1Q FY2023	1Q FY2022
Profit attributable to Owners of the Company	①	5.6	17.4
Other operating income/expenses after taxes and other adjustments	②	20.2	2.7
Normalized profit	③ = ① + ②	25.8	20.0
Average number of shares during the period ('000)	④	809,827	833,585
Normalized EPS (yen)	③ / ④	32	24

## Revenue by segments

(bn yen)

	1Q FY2023 Actual	1Q FY2022 Actual	YoY	%
Revenue	450.3	416.7	33.6	8.1%
Japan Beer and Spirits	144.0	132.8	11.1	8.4%
Kirin Brewery	136.4	127.2	9.2	7.3%
Other and elimination	7.6	5.7	1.9	33.6%
Japan Non-alcoholic Beverages	51.3	50.5	0.8	1.6%
Kirin Beverage	51.9	50.9	0.9	1.8%
Elimination	-0.6	-0.5	-0.1	—
Oceania Adult Beverages	62.7	53.6	9.0	16.8%
Lion	62.7	53.7	9.0	16.8%
Elimination	-0.0	-0.0	-0.0	—
Pharmaceuticals	93.4	87.6	5.8	6.6%
Kyowa Kirin	93.5	87.8	5.8	6.6%
Elimination	-0.1	-0.1	0.0	—
Other	99.0	92.2	6.8	7.4%
Mercian	14.4	13.2	1.2	9.3%
Coke Northeast	54.5	41.6	13.0	31.2%
Kyowa Hakko Bio	12.7	13.0	-0.3	-2.2%
Other and elimination	17.4	24.5	-7.1	-29.1%

# Normalized OP by segments

(bn yen)

	1Q FY2023 Actual	1Q FY2022 Actual	YoY	%
Normalized OP	33.6	25.9	7.7	29.5%
Japan Beer and Spirits	15.2	7.4	7.8	105.1%
Kirin Brewery	14.2	6.7	7.5	111.5%
Others	1.0	0.7	0.3	44.2%
Japan Non-alcoholic Beverages	2.5	2.5	0.0	0.7%
Kirin Beverage	2.5	2.5	0.0	0.7%
Oceania Adult Beverages	3.5	4.6	-1.1	-23.0%
Lion	3.5	4.6	-1.1	-23.0%
Pharmaceuticals	16.2	15.9	0.3	1.8%
Kyowa Kirin	16.2	15.9	0.3	1.8%
Other	7.5	7.9	-0.3	-4.2%
Mercian	-0.3	-0.3	-0.0	—
Coke Northeast	6.9	4.3	2.6	61.1%
Kyowa Hakko Bio	-1.2	-0.6	-0.5	—
Other	2.1	4.5	-2.4	-52.6%
Corporate expenses/inter-segment	-11.4	-12.4	1.0	—

(bn yen)	1Q FY23 Actual	1Q FY22 Actual	YoY	%
Revenue	136.4	127.2	9.2	7.3%
Revenue excl. liquor tax	82.6	74.4	8.2	11.0%
Normalized OP	14.2	6.7	7.5	111.5%

1Q FY22 Normalized OP (bn yen)	6.7	Description
YoY change (bn yen)	8.0	<b>Total beer products -0.8</b> (Beer decrease -5,000 kl) <b>Total other than beer products 0.0</b> (decrease in RTD -5,000kl, increase in non-alcoholic beverages ZERO thousand kl), etc. <b>Difference in product and in composition ratio of containers, etc. 8.8</b>
	-3.6	Increase in market prices, etc.
	4.2	Decrease in advertising expenses :3.0 Decrease in sales promotion expenses: 1.3, (Total 14.2 → 9.9)
	-1.1	Increase in electricity and fuel costs, etc.
	7.5	Subtotal
	14.2	1Q FY23 Normalized OP

(1,000 KL)	1Q FY23 Actual	1Q FY22 Actual	YoY %	Market (Category)
Beer products total*	-	-	-1.5%	2%
RTD	92	97	-5.4%	-1%
Non-alcoholic beverage	8	7	4.4%	-
*In accordance with agreement made by the Brewers Association of Japan, sales volume of beer products will only be disclosed in 2Q and 4Q.				
KIRIN ICHIBAN Brand Family Total	69	62	11.5%	13%
SPRING VALLEY Brand Total	5	5	6.1%	-
Kirin Tanrei Green Label	33	36	-9.2%	3%
Honkirin	40	47	-16.4%	-9%
Kirin Hyoketsu Brand Total	60	58	2.2%	-1%



Note

### Revenue

- Revenue increased due to higher sales volume in the on-premise channels, reflecting a recovery in demand for dining out, as well as an increase in unit price as a result of price revisions implemented in the previous year.
- In the on-premise channels, sales volume increased YoY due to a recovery in demand for dining out due to the ease of COVID-19 regulations. Sales volume in the off-premise channels decreased YoY due to the impact of a decline in demand at-home consumption following the recovery in demand for dining out, but revenue increased YoY as a result of price revisions implemented in the previous year and an accelerated shift to the beer category.
- Core brand "KIRIN ICHIBAN Brand FamilyTotal" performed well, driven mainly by the on-premise channels. In addition, focus brand "SPRING VALLEY Brand Total" also performed strong due to an increase in sales of *SPRING VALLEY Silk Ale <White>*, which launched last year, as well as the renewal of *SPRING VALLEY Hojun <496>*.

Sales volume	YoY %	Market
On-premise beer **	Approx. 60%	Approx. 70%
Off-premise beer **	-8%	-8%

\*\* On-premise: Total of bottles, kegs and PET products;  
Off-premise: Total of cans

From FY2023, only the beer products will be disclosed from the beer category, with details of main brands and channels.

### Normalized OP

- Normalized OP increased due to the effect of price revisions etc, exceeding the impact of the sharp rise in raw material costs.
- In addition, selling expenses decreased due to measures implemented in the previous year, but we will enforce brand investment in accordance to the annual plan.

# 1Q FY2023 Results

## Kirin Beverage



(bn yen)	1Q FY23 Actual	1Q FY22 Actual	YoY	%
Revenue	51.9	50.9	0.9	1.8%
Normalized OP	2.5	2.5	0.0	0.7%

1Q FY22 Normalized OP (bn yen)		2.5	Description
YoY change (bn yen)	Increase in marginal profit of soft drinks	1.7	Decrease in sales volume -4.85 million cases -2.1 Difference in product and in composition ratio of containers, etc. 3.8
	Increase in raw material costs, etc.	-2.2	Increase in raw material cost -0.8, Increase in material cost -1.0, Increase in processing cost -0.4
	Decrease in selling expenses	0.2	Decrease in sales promotion expenses: 0.5 , Increase in advertising expenses: -0.3 (Total 4.2 → 4.0)
	Decrease in other expenses	0.3	
	Subtotal	0	
1Q FY23 Normalized OP		2.5	

Sales volume (10,000 cases)		1Q FY23 Actual	1Q FY22 Actual	YoY %
By Domain	Food & Beverages	3,331	3,818	-12.8%
	Health Science	457	455	0.5%
	LC-Plasma products	171	158	8.5%
By Container	Can	509	529	-3.9%
	Large PET bottle	903	1,352	-33.2%
	Small PET bottle	2,000	1,998	0.1%
	Others	376	394	-4.5%
Subtotal		3,788	4,273	-11.3%

Sales volume (10,000 cases)		1Q FY23 Actual	1Q FY22 Actual	YoY %
By Brand	Gogo-no-Kocha	1,112	1,138	-2.4%
	Nama-cha	489	532	-8.0%



### Revenue

- Revenue increased mainly due to the effect of price revisions implemented in the previous year.
- Due to the ongoing increase in health consciousness, revenue of LC-Plasma products increased by approx. +20% vs the same period of the previous year.
- Combined revenue for core brands *Gogo-No-Kocha* and *Nama-cha* increased with the contribution of the launch of *Oishii Muto (sugar-free) Milk Tea*.

### Normalized OP

- Normalized OP was on a par with the previous year, as the effect of price revisions offset the impact of raw material and other cost hikes.



	Yen base (bn yen)				AUD base (million \$)			
	1Q FY23 Actual	1Q FY22 Actual	YoY	%	1Q FY23 Actual	1QFY22 Actual	YoY	%
Revenue	62.7	53.7	9.0	16.8%	688	629	58	9.2%
Australia & NZ	45.3	38.4	6.9	18.0%	497	451	45	10.1%
US Craft etc.	17.4	15.2	2.2	14.5%	191	178	13	7.5%
Normalized OP	3.5	4.6	-1.1	-23.0%	39	54	-15	-28.0%
Australia & NZ	2.0	2.9	-1.0	-31.0%	22	34	-13	-36.3%
US Craft etc.	1.5	1.6	-0.1	-6.3%	17	19	-3	-13.5%

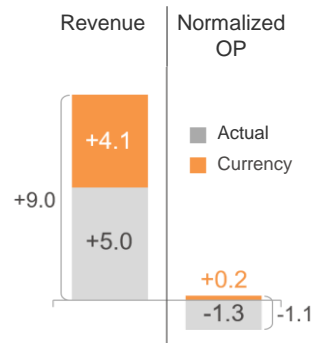
### Changes in Normalized OP Australia & NZ (million \$)

1QFY22 Normalized OP		34
Australia & NZ	Sales Volume	11
	Other*	-23
1QFY23 Normalized OP		22

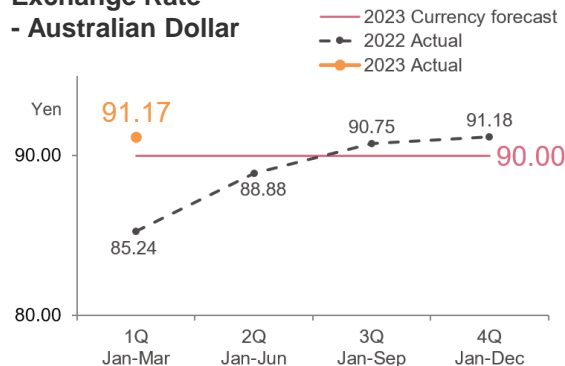
\* Includes Corporate costs

• Sales volume growth rate vs. previous year was +5% for AU, NZ, and US Craft combined, and +4% for AU alone.  
• The details of "AU & NZ" and "US Craft etc." are disclosed from 2023.

### Forex Impact (bn yen)



### Exchange Rate - Australian Dollar



Note

### Revenue

- Revenue in both AUD and yen bases increased (+9.2% on a AUD base and +16.8% on a yen base YoY).
- In AU and NZ, sales revenue increased due to growth in sales volume mainly in On-premise, strong sales of mainstay brands such as Hahn, and the effect of price revisions.
- In US, sales revenue of craft beer increased due to strong sales of the Voodoo Ranger brand, which also benefited from the launch of the new product-Fruit Force, as well as the effect of price revisions.

### Normalized OP

- Normalized OP decreased in both AUD and yen bases (-28.0% on a AUD base and -23.0% on a yen base YoY).
- Although price revisions offset the steep rise in raw material prices, Normalized OP declined as a result of increased marketing investment in mainstay brands and other products.

(bn yen)	1Q FY23 Actual	1Q FY22 Actual	YoY	%
Revenue	93.4	87.6	5.8	6.6%
Kyowa Kirin	93.5	87.8	5.8	6.6%
Elimination	-0.1	-0.1	0.0	-
Normalized OP	16.2	15.9	0.3	1.8%
Kyowa Kirin	16.2	15.9	0.3	1.8%

### Revenue of Global Strategic Products

(bn yen)	Crysvita		Poteligeo	
	1Q 2023	1Q 2022	1Q 2023	1Q 2022
Japan	2.3	2.0	0.4	0.5
North America	18.8	15.8	4.3	3.3
EMEA	8.0	6.3	1.5	0.9
APAC	0.3	0.0	-	-
<b>Total</b>	<b>29.4</b>	<b>24.2</b>	<b>6.3</b>	<b>4.7</b>



Note

### Revenue and Normalized OP

- › Revenue in Japan decreased due to the impact of the NHI price revision in April 2022, despite growth in sales of *Duvroq*, *Romiplate*, and *Crysvita*, etc.
- › International revenue increased due to year-on-year growth in sales of global strategic products, *Crysvita* and *Poteligeo*, in North America and EMEA, as well as sales of *Crysvita* and *Nesp* in Asia/Oceania.
- › Other revenues increased due to higher technology out-licensing revenues from *Benralizumab*, etc.

### Normalized OP

- › Normalized OP increased due to strong performance in Europe and the US, mainly in global strategic products, and an increase in sales revenue from technology out-licensing revenue, despite higher labor and other expenses in preparation for the establishment of own operation of the direct sales force of *Crysvita* in North America from April 27, an increase in SG&A expenses due to investments in IT digital infrastructure and human capital to establish a global business foundation, and an increase in R&D expenses due to the progress of clinical studies of *KHK4083* and other products.

### Revisions of Forecast

- › Kyowa Kirin decided in May 2023 to impair the related intangible assets (in-process R&D expenses) based on the decision to discontinue the development of bardoxolone methyl (RTA 402), a small molecule compound in-licensed from Reata Pharmaceuticals Holdings, Inc. As a result, Kyowa Kirin plans to record an impairment loss of 8,275 million yen in the second quarter of the fiscal year ending December 31, 2023, and has revised its consolidated full-year financial forecast for the year ending December 31, 2023.
- › There will be no revision to Kirin Holdings' forecast as a result of this revision.

### Yen base (bn yen)

	1Q FY23 Actual	1Q FY22 Actual	YoY	%
Revenue	54.5	41.6	13.0	31.2%
Normalized OP	6.9	4.3	2.6	61.1%

### USD base (million \$)

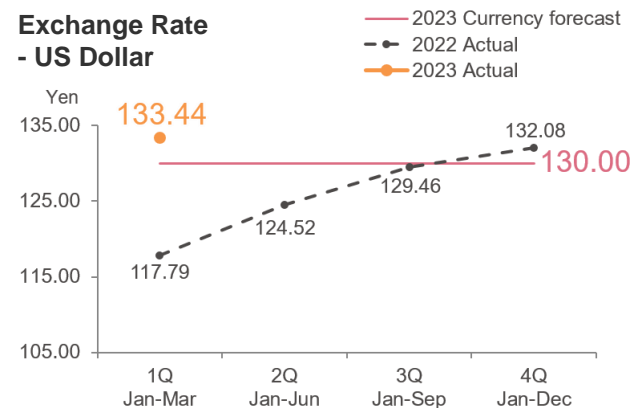
	1Q FY23 Actual	1Q FY22 Actual	YoY	%
Revenue	409	353	56	15.9%
Normalized OP	52	37	15	42.2%



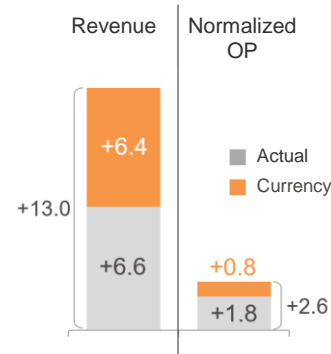
### Revenue & Normalized OP

- Revenue increased with the implementation of price revisions and other factors, although sales volume settled to the same level as the previous year, affected mainly by the rising inflation rate in the US. (Revenue increased by +15.9% on a USD base and by +31.2% on a yen base YoY.)
- Normalized OP increased YoY, as higher revenue offset the ongoing cost increases in raw materials and labor costs. (Normalized OP increased by +42.2% on a USD base and by +61.1% on a yen base YoY.)

### Exchange Rate - US Dollar

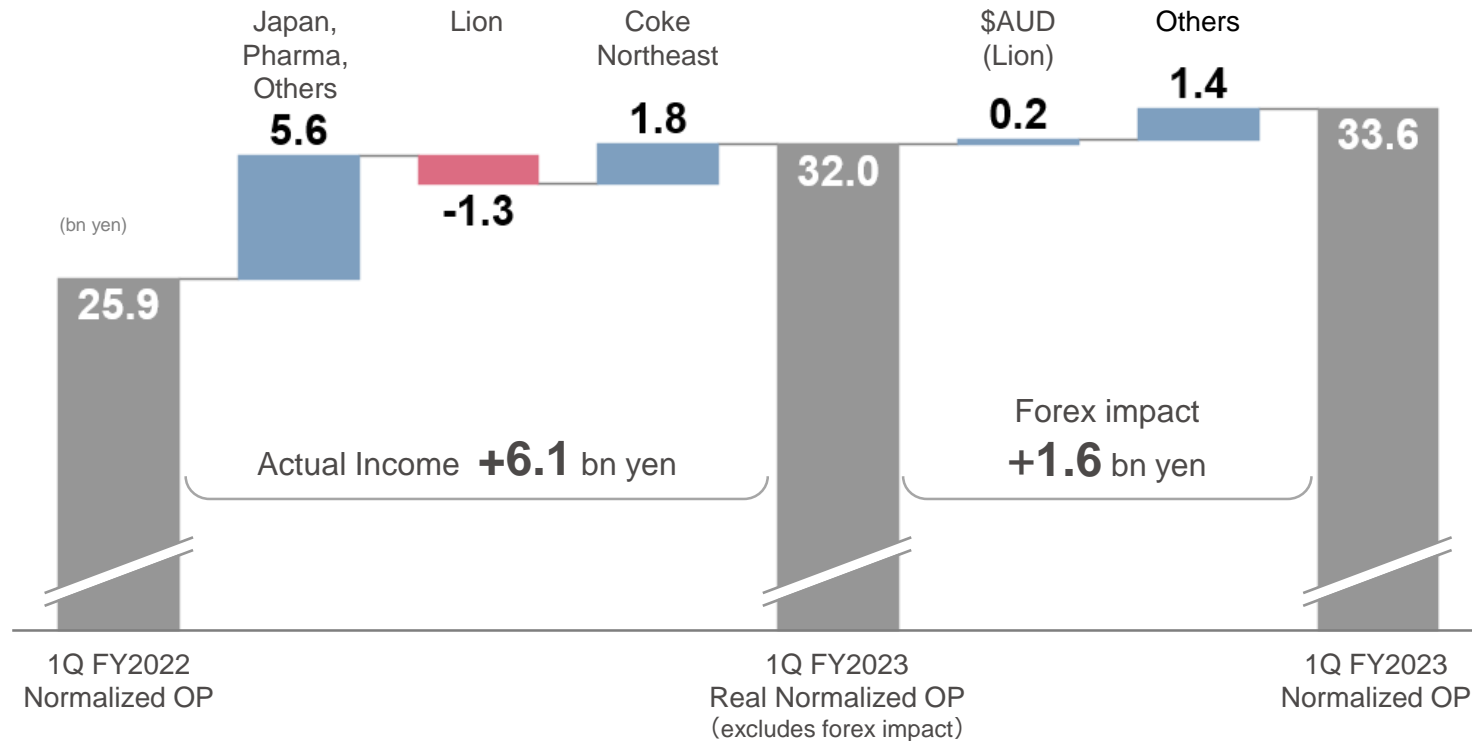


### Forex Impact (bn yen)



# Forex Impact on Consolidated Results

- Consolidated forex impact of +1.6 bn yen due to the depreciation of the yen.



# Statement of financial position / Statement of cash flows

(bn yen)	1Q FY23 Actual	4Q FY22 Actual	YoY
Total assets	2,469.6	2,542.3	-72.7
Total equity	1,231.7	1,253.2	-21.5
Total liabilities	1,237.8	1,289.1	-51.2
ROIC*	—	8.5	—
Gross Debt Equity Ratio	0.57	0.53	—
Net Debt / Normalized EBITDA **	—	1.6	—
PBR(Price Book-value Ratio) ***	1.7	1.7	—

ROIC and Net Debt/Normalized EBITDA will only be disclosed in 4Q.

(bn yen)	1Q FY23 Actual	1Q FY22 Actual	YoY
CF from operating activities	41.9	16.5	25.3
CF from from investing activities	-31.4	-62.5	31.1
Free CF	10.4	-45.9	56.4
CF from financing activities	-8.6	38.5	-47.1

\* Profit after tax before interest / (Average total interest-bearing liabilities at beginning and end of the period + Average total equity at beginning and end of the period)

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

\*\*\* Share price at the end of the period / (Profit attributable to owners of the Company / Number of shares outstanding at the end of the period (excluding treasury shares))

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



## Statement of Financial Position

- ▶ **Total assets:** Decreased by 72.7 billion yen from the end of the previous fiscal year to 2,469.6 billion yen as a result of a decrease in trade and other receivables, mainly due to the end of the previous fiscal year being a national holiday.
- ▶ **Total equity:** Amounted to 1,231.7 billion yen, a decrease of 21.5 billion yen from the end of the previous fiscal year, mainly due to a decrease in retained earnings.
- ▶ **Total liabilities:** Amounted to 1,237.8 billion yen, down 51.2 billion yen from the end of the previous fiscal year, due to a decrease in trade and other payables and accrued liquor tax.
- ▶ **Gross DE ratio:** Increased compared to the end of the period due to a 31.9 billion yen increase in interest-bearing liabilities and a 8.1 billion yen decrease in profit attributable to owners of the Company.
- ▶ **PBR:** Remain from the end of the period due to a 4% increase in the closing share price at the end of the period and a 8.1 billion yen decrease in profit attributable to owners of the Company.

## Statement of Cash Flows

- ▶ **CF from operating activities:** Working capital inflow decreased by 15.4 billion yen and income taxes paid decreased by 10.5 billion yen.
- ▶ **CF from investing activities:** Proceeds from sales of property, plant and equipment and intangible assets amounted to 1.4 billion yen. On the other hand, there was a 28.9 billion yen outflow for the acquisition of property, plant and equipment and intangible assets, an increase of 11.0 billion yen versus the same period last year, and a 5.0 billion yen outflow for the sale of shares of subsidiaries.
- ▶ **CF from financing activities:** There was an inflow of 50.0 billion yen in proceeds from long-term borrowings. On the other hand, 36.3 billion yen was used for dividends paid, 10.0 billion yen for repayment of long-term borrowings, and 8.0 billion yen for decrease in commercial paper.

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