



**KIRIN**

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# **Kirin Group Financial Results for 1Q FY2021**

May 12, 2021

Kirin Holdings Company, Limited

# Summary of 1Q Results for 2021

## 1Q Results Summary

- Consolidated Revenue decreased by -3.6% and consolidated Normalized operating profit (Normalized OP) increased by 1.1%, a strong start despite the impact of COVID-19.
- Profit before tax increased 3.1% mainly due to a decrease in other operating expenses, despite a decrease in Profit of equity-accounted investees due to the impact of COVID-19.
- Profit for the quarter attributable to owners of the Company declined by -16.3% due to an increase in income taxes resulting from the absence of deferred tax assets built up in the previous year, but exceeded the plan.
- In addition, the Myanmar Brewery business has been significantly impacted by the rising country risk in Myanmar, but as it is difficult to make a precise forecast at this time, we will continue to maintain our initial target for this business for the year.

# 1Q FY2021 Results

- Despite the negative impact of COVID-19, Normalized OP increased year on year due to progress in reforming the profit structure

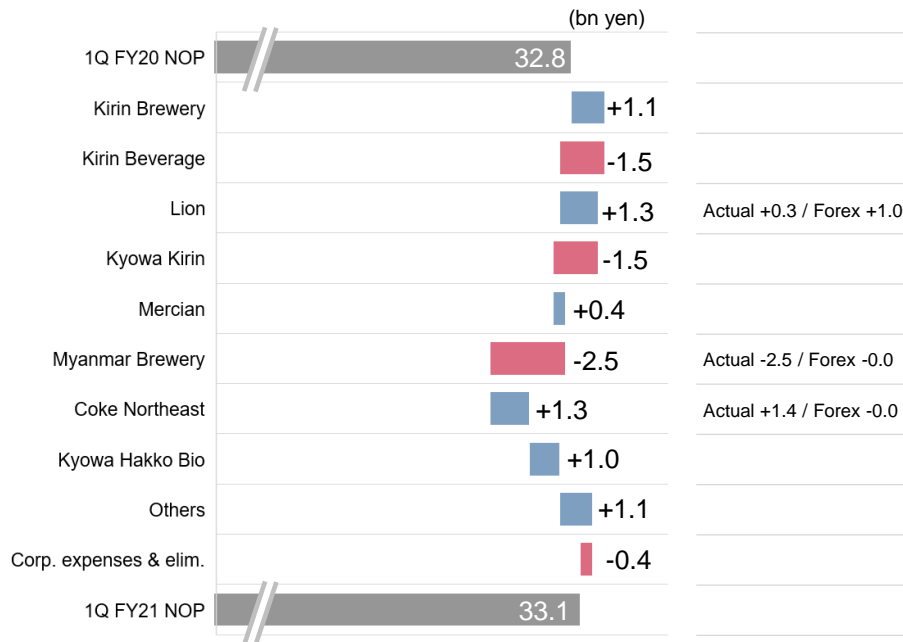
(bn yen)	1Q FY2021 Actual	1Q FY2020 Actual	YoY	%
Revenue	409.3	424.5	-15.2	-3.6%
Normalized OP <sup>*1</sup>	33.1	32.8	0.4	1.1%
Profit before tax	33.6	32.5	1.0	3.1%
Profit attributable to owners of the Company	17.0	20.3	-3.3	-16.3%
	1Q FY2021 Actual	1Q FY2020 Actual	YoY	%
Normalized EPS <sup>*2</sup>	27 yen	29 yen	-2 yen	-6.9%

<sup>\*1</sup> A profit indicator for measuring recurring performance which is calculated by deducting cost of sales and selling, general and administrative expenses from revenue.

<sup>\*2</sup> See page 13 for details.

# Changes in Consolidated Normalized OP by Company

## ➤ Kirin Group's overall portfolio offset the negative impact of COVID-19



### Kirin Brewery

- Marginal profit increased due to strong sales of *Happo-shu* and RTD.

### Kirin Beverage

- Differences in product/container composition, etc. deteriorated due to a decrease in sales volume and a change in the channel composition ratio.

### Lion

- The impact of the reaction to the stocking up prior to lockdown in March last year and the restriction on the number of people that can be accommodated in the on-premise were offset by overseas craft beer performance, etc

### Kyowa Kirin

- SG&A expenses increased in order to establish a global business foundation at an early stage.

### Myanmar Brewery

- Sales volume declined significantly due to the impact of the COVID-19 and political upheaval etc.

### Coke Northeast

- Cost control effects etc..

### Kyowa Hakko Bio

- Fixed cost burden decreased due to increase in manufacturing volume.

### Corporate expenses and Segment Eliminations

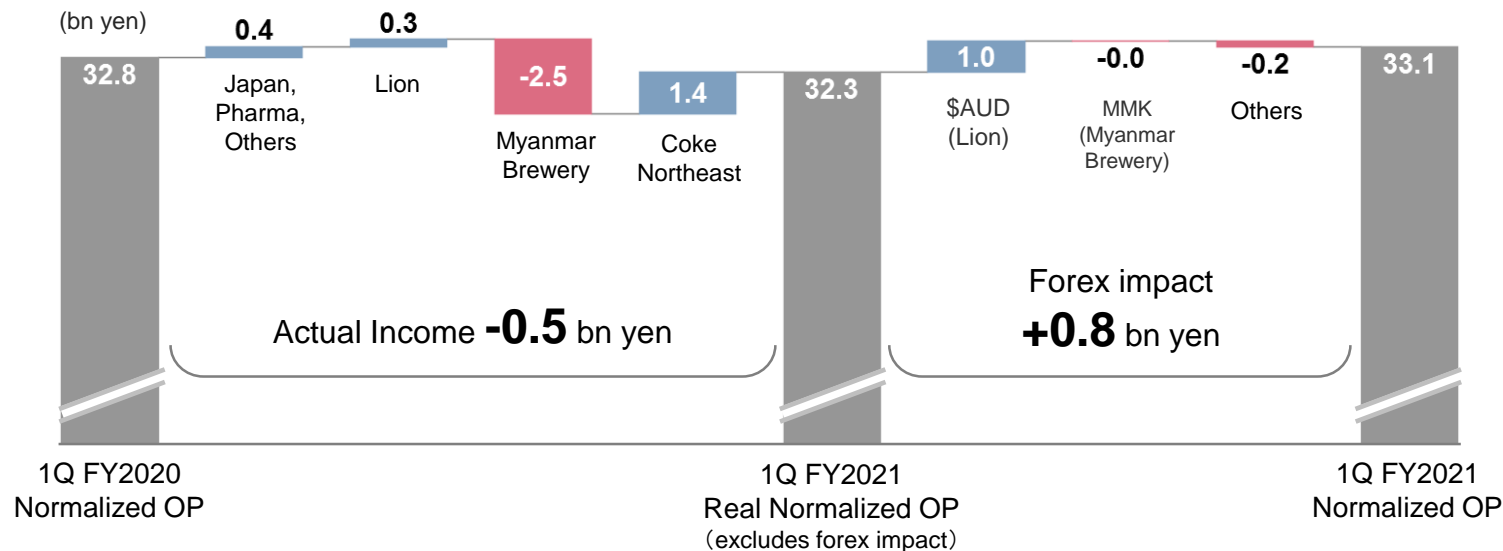
- Increase in segment eliminations.

\* "Others" includes "Other and elimination" in "Japan beer & spirits" segment.

\* Due to the sale of Lion Dairy and Drinks business, the descriptions of "Beer, Spirits, and Wine", "Dairy and Drinks" and "Corporate" of Lion have been omitted from 2021.

# Forex Impact on Consolidated Results

- Consolidated forex impact of +0.8 bn yen due to the appreciation of the Australian dollar (AUD) against the yen

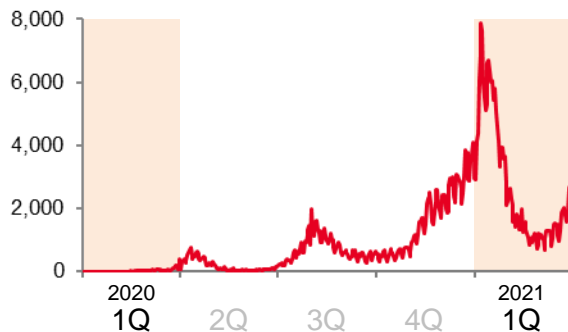


# COVID-19

- Continued impact on on-premise channels due to increased number of new infections and stricter measures to prevent the spread of COVID-19

## Japan

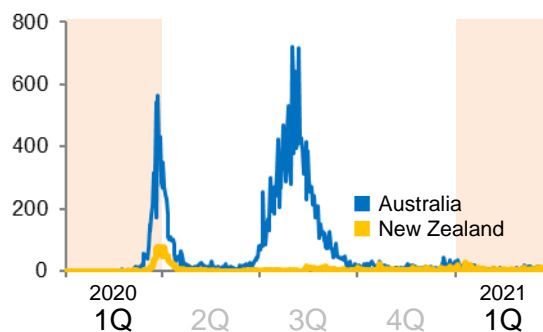
Jan-Mar 2020 : 1,953 persons (Avg 21 persons/day)  
Jan-Mar 2021 : 241,808 persons (Avg 2,687 persons/day)



- The total number of new infections increased significantly compared to the same period last year
- Sales in the on-premise channel, vending machines, and convenience stores around offices continued to decline, while sales in the off-premise channel were strong

## Australia + New Zealand

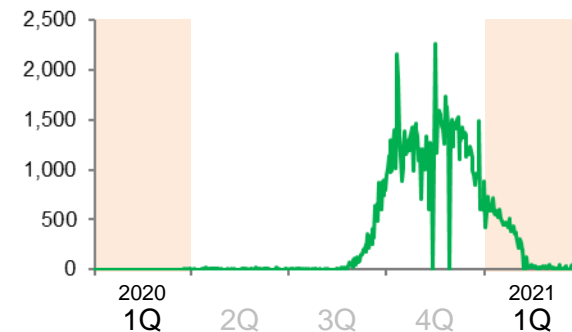
Jan-Mar 2020 : 4,959 persons (Avg 54 persons/day)  
Jan-Mar 2021 : 1,249 persons (Avg 14 persons/day)



- The average number of new infections per day is 14, down by about -75% from the same period last year
- Due to measures to prevent the spread of infection, sales of on-premise products were significantly affected compared to the same period of the previous year, but are now on a recovery trend

## Myanmar

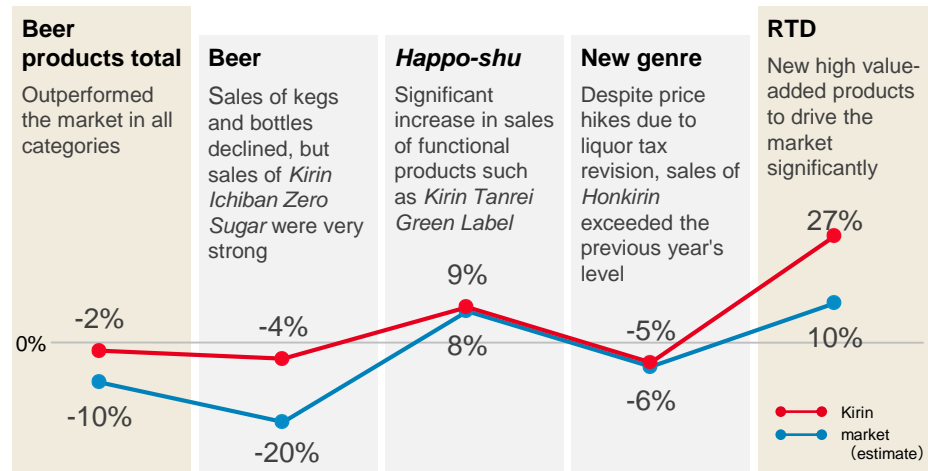
Jan-Mar 2020 : 0 person (Avg 0 person/day)  
Jan-Mar 2021 : 18,672 persons (Avg 207 persons/day)



- The number of new infections has passed its peak, but the actual situation is unknown due to inadequate testing system after the coup in February
- In addition to the effects of the coup, there are disruptions in economic activities, such as banking, telecommunications, and distribution

➤ Sales Revenue and Normalized OP increased. Outperformed the market in all categories. High value-added products are also performing very well.

**Sales by category** (Cumulative total for Jan-Mar, vs. market estimate)

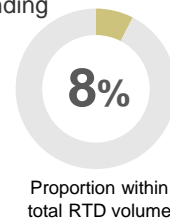


- ▶ Sales volume in the Jan-Mar period was strong, up about 30% from the plan
- ▶ Demand emerged from the *Kirin Ichiban* brand and reputation for good taste

- Strong sales. Sales exceeded the plan of the first month

Launched on 23<sup>rd</sup> March

Launched  
Mar16<sup>th</sup>



- Number of subscribers increased steadily toward the annual target

## Kirin Beverage

- Sales volume down due to COVID-19, etc.  
*Lactococcus lactis* strain Plasma (“LC-Plasma”) sales were strong
- Sales volume decreased due to the emergency declaration in January. The decrease in marginal profit was partially supported by restraining selling expenses, etc.
- Structural reform of the vending machine business progressed as planned, with approximately 900 million yen of profit improvement as of 1Q



### Progress on Strategy for Health

Increase in outlets sold and awareness

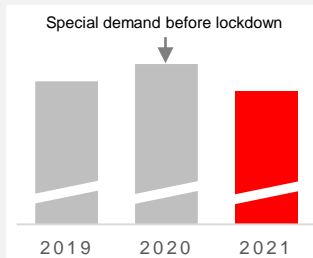
- Sales volume of LC-Plasma beverages remained strong, up 28% YoY.

## Lion

### ➤ Steady progress against the full-year plan

- Revenue decreased due to the sale of Lion's Dairy & Drinks business
- In the Adult Beverages business, revenue was almost in line with the 1Q plan, and business profit exceeded the plan due to improvement in the channel mix and US craft beer sales
- Despite stricter COVID-19 measures for the on-premise compared to the same period of the previous year, the decline in Australia and NZ has bottomed out, and strong performance by US craft beer business has contributed to the results.

AU + NZ 1Q sales volume trend



- YoY sales volume for the cumulative month of March was -7% for on-premise, -6% for off-premise, and -6% in total
- Sales volume for on-premise declined by double digits in Jan and Feb, but decline in Mar improved. The decline in off-premise was a reaction to last year's COVID stocking up
- Mix improvement expected to accelerate from 2Q



## Kyowa Kirin

### ➤ Steady performance of Global Strategic Products

- SG&A expenses increased due to the development of global strategic products in Europe and the U.S. Steady expansion of global strategic products.



YoY revenue growth

**+36%**

U.S.: Steady  
EMEA: Steady in newly launched countries, Germany Steady  
China: Permitted



**+8%**

EMEA: Steady in newly launched countries, Applications and approvals in each country are making progress



**+168%**

Recovery of business activities in the U.S.

## Myanmar Brewery

### ➤ In addition to COVID-19, the coup had impact after February

- In addition to the impact of COVID-19 on on-premise channels, the coup continued to disrupt all economic activities.
- In addition to the decline in aggregate demand due to political turmoil, lower supply capacity and restrictions on sales activities resulted in approx. -40% decline in overall market sales volume YoY.
- Myanmar Brewery's sales volume also declined by almost the same amount as the market. The company continues to place the highest priority on ensuring the safety and health of its employees and is closely monitoring the situation.

JV  
termination

- Continued discussions to dissolve the JV with MEHPCL.
- Dividends from Myanmar Brewery continue to be suspended

## Health Science Domain

### ➤ Strong sales of LC-Plasma related products

- Sales of beverages, yogurt, supplements, and bacteria all increased YoY. Aim to further increase awareness.



Beverages  
**128%**



Supplements  
**204%**

Percentage change from the previous year based on sales volume for beverages and revenue for supplements

### Medical support using LC-Plasma iMUSE

This is a medical support project to donate LC-Plasma iMUSE supplements to medical institutions in Japan according to the number of posts collected with the Twitter hashtag "#iMUSE for medical support"

The project is being conducted in Japan from May 6 to August 31

### Kyowa Hakko Bio

- Manufacturing volume recovered steadily while narrowing down production items.
- Gradually resumed sales promotion of mail-order supplements, which were controlled last year.
- The construction of a new HMO\*1 production facility in Thailand progressed as planned.

### FANCL Synergies

- The number of employees exchanged between KIRIN and FANCL was increased from 3 to 8 employees\*2, from April.
- Developed mutual know-how, sharing on marketing and data analysis

\*1: Human milk oligosaccharide \*2: Excluding Directors



# Update on ESG

Received the Gold Award in the Environmental Sustainable Company category of the Ministry of the Environment's ESG Finance Awards 2 years in a row

## Environment

### Received ESG Finance Award Gold 2 years in a row

Received the Gold Award in the Environmental Sustainable Company category of the Ministry of the Environment's ESG Finance Awards two years in a row.



#### Reasons for the Award

- Under the strong leadership of the top management to make a positive impact on society, the company has been steadily advancing its existing environmental initiatives, and is taking advanced measures.
- The content of the report sufficiently conveys to investors that these initiatives are firmly embedded in daily corporate activities and that the PDCA cycle, from goal setting to future actions, is steadily functioning.

### Participation in the SBTN Corporate Engagement Program

Became the first company in Japan's pharmaceutical and food industries to participate in the Corporate Engagement Program organized by the Science Based Targets Network

## Social

### Selected as Nadeshiko brand and as White 500 for 5 years in a row

Selected as a Nadeshiko Brand jointly selected by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange as a company that excels in promoting the activities of women.



Recognized by the Ministry of Economy, Trade and Industry and the Japan Health Council as a Healthy Management Excellence Corporation 2021 (White 500) for five consecutive years.



### Open recruitment for people interested in Side Businesses

In an effort to strengthen diversity, Kirin Group's first open recruitment to those interested in a secondary career involved in new businesses areas. Recruiting personnel in IoT and marketing areas for the Business Creation Department of Kirin Brewery.

### Ended all-you-can drink plan at Kirin City

In order to prevent heavy drinking and promote Slow Drinking®, all Kirin City restaurants under the company's direct management no longer offers all-you-can drink plan for alcoholic beverages from March 17.

## Governance

### Increased the non-financial valuation criteria percentage for equity based bonus from 10% to 20%

Based on the engagement with shareholders and investors, we decided to increase the percentage of non-financial indicators in the overall performance evaluation from 10% to 20%, which will be reflected in the evaluation starting from FY2021

	ROIC	Normalized EPS	Non-financial
2020	45%	45%	10%
2021	40%	40%	20%

### Introduction of individual performance evaluation as part of the CEO's bonus from FY2021

In order to reflect in the bonus the degree to which the CEO demonstrates its performance including decision-making on strategies and policies to achieve the company's performance targets, an evaluation of individual performance will be introduced in the evaluation of the President and CEO from fiscal 2021

\*Ratio of Company and Individual is 70:30

## Appendices

# 1Q FY2021 Results

## Normalized EPS Details

(bn yen)		1Q FY2021	1Q FY2020
Profit attributable to Owners of the Company	①	17.0	20.3
Other operating income/expenses after taxes and other adjustments	②	5.5	4.1
Normalized profit	③=①+②	22.4	24.4
Average number of shares during the period ('000)	④	833,613	856,598
Normalized EPS (yen)	③ / ④	27	29

# 1Q FY2021 Results

## Revenue by segments

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(bn yen)		1Q FY2021 Actual	1Q FY2020 Actual	YoY	%
Revenue		409.3	424.5	-15.2	-3.6%
Japan Beer and Spirits		140.7	134.0	6.6	5.0%
	Kirin Brewery	136.2	130.4	5.8	4.5%
	Other and elimination	4.5	3.6	0.8	22.0%
Japan Non-alcoholic Beverages		51.0	59.5	-8.5	-14.3%
	Kirin Beverage	51.5	60.0	-8.5	-14.2%
	Elimination	-0.5	-0.5	-0.0	—
Oceania Adult Beverages		59.7	68.9	-9.2	-13.4%
	Lion	59.7	68.9	-9.2	-13.4%
	Elimination	-0.0	-0.0	0.0	—
Pharmaceuticals		81.0	77.2	3.8	4.9%
	Kyowa Kirin	81.1	77.3	3.8	4.9%
	Elimination	-0.2	-0.1	-0.0	—
Other		77.0	84.9	-7.9	-9.3%
	Mercian	13.6	13.9	-0.3	-2.1%
	Myanmar Brewery	5.7	10.7	-5.0	-46.7%
	Coke Northeast	31.7	31.7	-0.0	-0.1%
	Kyowa Hakko Bio	11.0	15.0	-4.0	-26.4%
	Other and elimination	15.0	13.6	1.4	10.0%

\* 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.

# 1Q FY2021 Results

## Normalized OP by segments

(bn yen)		1Q FY2021 Actual	1Q FY2020 Actual	YoY	%
Normalized OP		33.1	32.8	0.4	1.1%
Japan Beer and Spirits		12.4	11.2	1.2	10.7%
	Kirin Brewery	11.9	10.7	1.1	10.5%
	Others	0.5	0.4	0.1	15.3%
Japan Non-alcoholic Beverages		2.3	3.8	-1.5	-40.5%
	Kirin Beverage	2.3	3.8	-1.5	-40.5%
Oceania Adult Beverages		7.0	5.7	1.3	22.4%
	Lion	7.0	5.7	1.3	22.4%
Pharmaceuticals		14.9	16.4	-1.5	-9.0%
	Kyowa Kirin	14.9	16.4	-1.5	-9.0%
Other		7.0	5.7	1.3	22.4%
	Mercian	0.4	0.0	0.4	—
	Myanmar Brewery	2.5	5.0	-2.5	-49.6%
	Coke Northeast	2.3	1.0	1.3	136.6%
	Kyowa Hakko Bio	-0.4	-1.4	1.0	—
	Other	2.1	1.1	1.0	93.1%
Corporate expenses/inter-segment		-10.4	-10.0	-0.4	—

\* 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.

# 1Q FY2021 Results Kirin Brewery

(1,000 HL)	1Q FY21 Actual	1Q FY20 Actual	YoY %
Beer products total	-	-	-1.7%
Beer	-	-	-4.4%
Happo-shu	-	-	9.1%
New genre	-	-	-5.3%
RTD	1,040	820	26.6%
Non-alcohol beverages	100	90	1.6%

In accordance with the agreement made by the Brewers Association of Japan, sales volume of beer products will only be disclosed in the 2Q and 4Q.

(bn yen)	1Q FY21 Actual	1Q FY20 Actual	YoY	%
Revenue	136.2	130.4	5.8	4.5%
Revenue excl. liquor tax	79.3	77.1	2.3	2.9%
Normalized OP	11.9	10.7	1.1	10.5%



## Japan alcoholic beverages market

- › Beer market sales volume is estimated to be down by approx. -10%.
- › Sales volumes in on-premise channels declined by approx. -50%.
- › Health-consciousness and low-cost orientation continues

## Sales Volume

- › All beer and RTD categories outperformed the market due to strong sales of new products in addition to mainstay brands.
- › Sales volume of total beer products in canned format mainly in off-premise channels increased by 7%.

## 1Q FY20 Normalized OP (bn yen)

YoY change (bn yen)	
	Increase in marginal profit of alcohol beverages, etc.
	Decrease in raw material cost
	Increase in selling expenses
	Decrease in other expenses
	Subtotal
	<b>1Q FY21 Normalized OP</b>

## 10.7 Description

	<b>Total beer products -0.7</b> (decrease in beer -40,000HL, increase in happo-shu 70,000HL, decrease in new genre -90,000HL)
0.9	<b>Total other than beer products 1.6</b> (increase in RTD 220,000HL, increase in non-alcohol beverages 0HL, etc.)
	<b>Difference of change in composite of products, etc. 0.0</b>
0.5	
-1.5	Increase in sales promotion -0.1, increase in advertising -1.4 (Total 11.9 ⇒ 13.4)
1.2	Decrease in travel expense, etc.
1.1	
<b>11.9</b>	

## Details on Financial Performance

- › Marginal profit increased by 0.9 bn yen due to higher sales volume of happo-shu and RTDs and the impact of delayed sales promotion expenses.
- › Advertising expenses increased by 1.4 bn yen due to strengthened investment in brands from a long-term perspective in a difficult market environment.
- › Other expenses decreased by 1.2 bn yen, mainly due to a decrease in expenses caused by restrictions on sales activities.



# 1Q FY2021 Results Kirin Beverage

Sales Volume (10,000 cases)		1Q FY21 Actual	1Q FY20 Actual	YoY %
Category	Black tea	1,131	1,313	-13.9%
	Japanese tea	632	709	-10.8%
	Coffee	544	574	-5.2%
	Fruit and veg. juice	485	507	-4.3%
	Carbonated beverages	260	299	-12.9%
	Functional beverages	234	226	3.5%
	Water	793	968	-18.1%
	Others	257	314	-17.9%
By Container	Can	555	622	-10.8%
	Large PET bottle	1,427	1,682	-15.2%
	Small PET bottle	1,983	2,222	-10.8%
	Others	372	383	-2.9%
Total		4,337	4,909	-11.7%

(bn yen)	1Q FY21 Actual	1Q FY20 Actual	YoY	%
Revenue	51.5	60.0	-8.5	-14.2%
Normalized OP	2.3	3.8	-1.5	-40.5%

## 1Q FY20 Normalized OP (bn yen)

YoY change (bn yen)	Decrease in marginal profit	-4.3
	Decrease in raw material costs, etc.	0.0
	Decrease in selling expenses	1.9
	Decrease in other expenses	0.9
Subtotal		-1.5
1Q FY21 Normalized OP		2.3

## 3.8 Description

-4.3	Decrease in sales volume -5.73 million cases, -2.7 Difference of change in products mix and in composition ratio of containers, etc. -1.6
0.0	Decrease in raw material cost 0.0, decrease in material cost 0.1, increase in processing cost -0.1
1.9	Decrease in sales promotion 1.5, decrease in advertising 0.4 (Total 7.3 ⇒ 5.4)
0.9	Decrease in sales machine costs and labor costs, etc.



Note

### Soft Drink Market

- Soft drink market is estimated to have shrunk by approx. -6%.

### Sales Volume

- Core brands *Gogo-no-Kocha* and *Nama-cha* decreased from the previous year due to consumer self-restraint from going outside and an increase in work-from-home.
- Sales volume of LC-Plasma related products increased by 28% due to the rise in consumer health awareness.

### Details on Financial Performance

- Revenue declined due to a decrease in sales volume and deterioration in the difference of change in products mix and in composition ratio of containers, etc.
- Normalized profit decreased due to a decline in sales volume and a deterioration in difference of change in products mix and in composition ratio of containers, etc.
- Despite efforts to reduce sales promotion and advertising expenses, the negative impact was not enough to offset the decline in Normalized OP.

# 1Q FY2021 Results Lion

## Yen base (bn yen)

	1Q FY21 Actual	1Q FY20 Actual	YoY	%
Revenue	59.7	68.9	-9.2	-13.4%
Normalized OP	7.0	5.7	1.3	22.4%
(Ref.) formerly segmentation	1Q FY21 Actual	1Q FY20 Actual	YoY	%
Revenue (BSW)	50.0	41.1	9.0	21.8%
Revenue (LDD)	9.7	27.9	-18.2	-65.3%
Normalized OP (BSW)	8.0	6.8	1.2	17.0%
Normalized OP (LDD)	0.9	0.1	0.8	—
Normalized OP (Corporate)	-1.9	-1.2	-0.7	—

BSW = Beer, Spirits & Wine, LDD = Lion Dairy & Drinks

Change in sales volume*		0.6%	
	1Q FY20 Actual	97	
Adult Beverages Normalized OP YoY (million AUS\$)	AU&NZ	Sales	-13
		Volume	
		Other	4
		Global craft, etc.**	9
	1Q FY21 Actual	97	

\* Inclusive of Global Craft etc. volume among others.  
YoY change in sales volume for excluding Global  
Craft etc, was -5.7%

\*\* Includes Normalized OP impact derived from sales  
volume changes and the impact of other factors.



Note

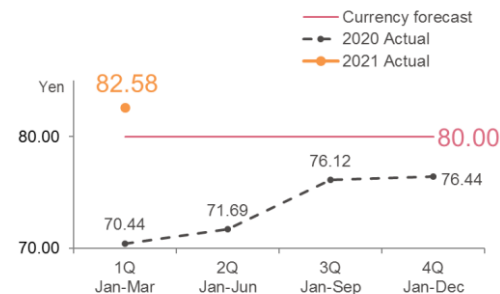
## Revenue

- ▶ Total revenue decline is mainly driven by LDD exiting the group (\$-279m). Underlying revenue has increased by \$23m as follows:
- ▶ Australia & NZ revenue has slightly decreased due to the impact of the reaction to the stocking up prior to lockdown in March last year and the restriction on the number of people that can be accommodated in the on-premise. 2Q and onwards, we expect to see an improvement.
- ▶ Revenue of Global Craft increased driven by growth of U.S. craft beer business ahead of market.
- ▶ LDD only accounts for results up to January 25 due to the sale.

## AUS dollar base (million AUS\$)

1Q FY21 Actual	1Q FY20 Actual	YoY	%
723	979	-256	-26.1%
85	81	4	4.4%
1Q FY21 Actual	1Q FY20 Actual	YoY	%
606	583	23	3.9%
117	396	-279	-70.4%
97	97	-0	-0.2%
11	1	10	956.6%
-23	-17	-6	-

## Exchange Rate - Australian Dollar

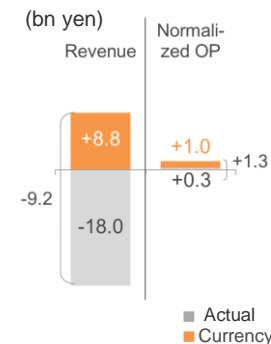


The average AUD exchange rate used is based on the average forex rate of the previous three months, in effect from 2021 1Q. 2020 Actual is shown on 3 months average basis.

## Normalized OP

- ▶ Total Normalized OP increased despite the impact of LDD sales and COVID-19.
- ▶ Australia & NZ Normalized OP continues to be impacted through restrictions, but it was above the plan due to improved channel mix and other factors.
- ▶ Normalized OP of Global Craft increased due to a steady performance of the U.S. craft beer business.
- ▶ Increase of corporate cost is mainly related to ERP depreciation.

## Forex Impact



# 1Q FY2021 Results

## Kyowa Kirin

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(bn yen)	1Q FY21 Actual	1Q FY20 Actual	YoY	%
Revenue	81.0	77.2	3.8	4.9%
Kyowa Kirin	81.1	77.3	3.8	4.9%
Elimination	-0.2	-0.1	-0.0	—
Normalized OP	14.9	16.4	-1.5	-9.0%
Kyowa Kirin	14.9	16.4	-1.5	-9.0%



Note

### Revenue

- ▶ In Japan, sales decreased due to the impact of the reduction of the NHI drug price standard, the termination of co-marketing of some products, and the impact of a competing product on *Darbepoetin Alfa Injection Syringe [KKF]*, despite sales increase due to new products such as *Crysvita* and *HARUROPI*, in addition to *Patanol*, which was affected by the increased amount of airborne pollen, and *G-lasta*, which showed steady sales revenue growth.
- ▶ Overseas, sales of *Poteligeo* remained at the same level as the same period of the previous fiscal year due to the impact of the spread of COVID-19 in the US, but sales of *Crysvita* and *Nourianz* grew steadily. In addition, sales revenue of *Regpara* increased due to market expansion in China.
- ▶ Technology licensing revenue increased due to higher royalties related to *Fasenra* and receipt of upfront payment for licensing of anti-LIGHT antibody, resulting in overall increase in sales revenue.

### Normalized OP

- ▶ Although gross profit increased due to an increase in overseas sales revenue mainly from global strategic products, Normalized OP decreased YoY mainly due to an increase in SG&A expenses for maximizing the value of global strategic products and establishing a competitive global business platform at an early stage.

### Revenue by key items (bn yen)

Item (Japan)	1Q FY21 Actual	1Q FY20 Actual	YoY
Nesp + Nesp-AG*	6.5	7.4	-1.0
Duvroq	0.2	-	0.2
Regpara	0.7	1.0	-0.3
Orkedia	2.1	2.0	0.1
G-Lasta	6.6	6.1	0.5
Rituximab BS	2.6	2.6	0.1
Allelock	2.9	3.0	-0.1
Patanol	6.5	5.9	0.6
Nourias	1.9	2.2	-0.3
Tech-licensing	0.6	0.3	0.3

\* AG stands for Authorized Generic. Official product name is *Darbepoetin Alfa [KKF]*.  
Kyowa Kirin Frontier is a marketing authorization holder; Kyowa Kirin is a distributor.

Item (Overseas)	1Q FY21 Actual	1Q FY20 Actual	YoY
Crysvita *1	16.3	12.0	4.3
North America	11.7	9.2	2.5
EMEA	4.5	2.8	1.8
Poteligeo *2	3.2	2.9	0.2
Nourianz	1.0	0.4	0.6
Abstral	1.8	2.8	-1.0
Regpara	2.2	1.7	0.5
Tech-licensing	4.9	3.1	1.8
Benralizumab	3.8	2.7	1.1
Royalty *3			

Figures are excerpted from Kyowa Kirin 1Q financial statements.

\*1 Launched countries as of March 31, 2021 (excluding South America) Underlines: Pediatric and Adult: USA, Canada, Germany, Netherlands, Luxembourg, England, Wales, North Ireland, Slovakia, Sweden, Israel, UAE, Czech, Denmark, Italy, Japan, Norway, Bahrain, Scotland, Oman, Kuwait, Qatar, Romania, Slovenia, France, Finland, Estonia, Spain

\*2 Launched countries as of March 31, 2021: Japan, USA, Germany, Austria, Luxembourg, Italy

\*3 Sales royalties of *Fasenra*, marketed by AstraZeneca. (Including our own estimation)

# 1Q FY2021 Results Myanmar Brewery

## Yen base (bn yen)

	1Q FY21 Actual	1Q FY20 Actual	YoY	%
Revenue	5.7	10.7	-5.0	-46.7%
Normalized OP	2.5	5.0	-2.5	-49.6%

## Kyat base (bn MMK)

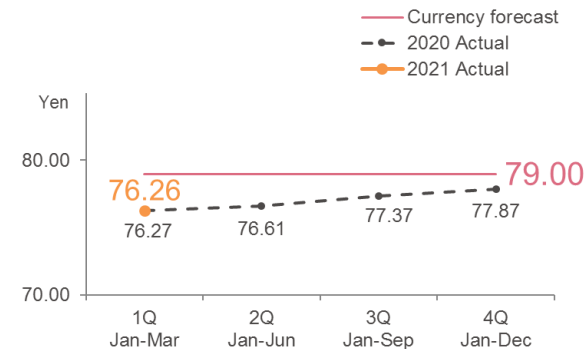
	1Q FY21 Actual	1Q FY20 Actual	YoY	%
Revenue	75	140	-66	-46.7%
Normalized OP	33	65	-32	-49.6%



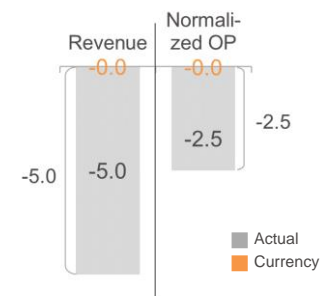
### 1Q FY21 Results

- The beer market shrank due to the spread of COVID-19, the political upheaval and supply chain disruptions in Myanmar. Myanmar Brewery's sales volumes were down by -46% YoY, almost in line with market performance.
- Revenue and Normalized OP both declined due to lower sales volumes.

## Exchange Rate - 1,000 Myanmar Kyat



## Forex Impact (bn yen)



# 1Q FY2021 Results Coke Northeast

## Yen base (bn yen)

	1Q FY21 Actual	1Q FY20 Actual	YoY	%
Revenue	31.7	31.7	-0.0	-0.1%
Normalized OP	2.3	1.0	1.3	136.6%

## U.S. dollar base (million \$)

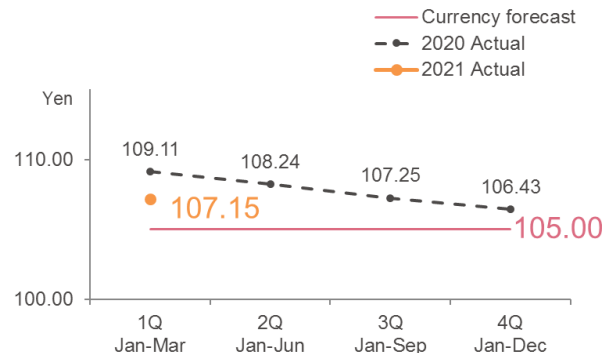
	1Q FY21 Actual	1Q FY20 Actual	YoY	%
Revenue	296	291	5	1.7%
Normalized OP	21	9	13	140.9%



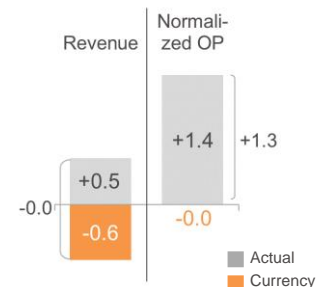
## 1Q FY21 Results

- Sales increased on a US dollar basis due to the effect of price revisions in on-premise and home market channels and an improved product mix, despite a severe sales volume decline of -5% due to the reversal of the stock demand for water and other products which appeared in late March last year, due to the COVID-19. On a yen basis, sales decreased due to the impact of exchange rate fluctuations.
- Normalized OP increased significantly YoY, due to the effect of operational efficiency improvement through cost control.

## Exchange Rate - US Dollar



## Forex Impact (bn yen)



This material is intended for informational purposes only and is not a solicitation or offer to buy or sell securities or related financial instruments.



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