

Second Quarter Financial Results for the Year Ending December 31, 2011

August 5, 2011

Kirin Holdings Company, Limited

Management summary

■ 1H saw a year-on-year increase in earnings. We will strengthen 2H activities aimed at securing growth in the next term and ensure profitability on par with initial forecast for full business year.

- During 1H, amid dramatic changes in the business environment, not least of which was the Great East Japan Earthquake, we achieved solid business results across the group, due to such factors as a steady recovery in sales in our domestic alcohol beverages and non-alcohol beverages businesses and to strong sales in our pharmaceuticals and biochemicals business.
- Although the impact of the earthquake and the environmental change to our Australian operations are figured in the full-year forecast, we will secure profitability on par with the initial forecast by further strengthening sales and cost controls during 2H. We will work to further strengthen our brands and create customer demand for growth in the next term.

■ Our efforts aimed at the challenges for “qualitative expansion” are progressing to plan. We aim to definitely achieve this term’s plans.

- Efforts aimed at boosting profitability and efficiencies are progressing to plan, such as CCT cost synergies, asset reduction, and selection and concentration of business portfolios. We aim to achieve our full-year forecasts.

■ We accelerated efforts aimed at achieving growth in Southeast Asia as well as structural reform in Australia.

- We increased our promotion of individual programs aimed at the creation of synergies for our non-alcohol beverages business in Southeast Asia. We will further accelerate efforts aimed at realizing growth in the 2H and beyond by deploying staff to local areas.
- We accelerated structural reform with fundamental means under continuously trying market conditions in Australia.

■ We consolidates Schincariol Group in Brazil.

- We consolidates of a major beverage manufacturer with the 2nd largest share in the Brazilian beer market¹, and a major soft drinks producer including 3rd largest share in the Brazilian CSD market². (1 Euromonitor, 2 Euromonitor. Off-trade)
- While Asia and Oceania remain Kirin’s most important regions, this transaction provides us with a solid base in a promising emerging market and supports our international integrated beverages group strategy.

Second-quarter results

- Operating income, ordinary income and net income increased significantly year-on-year. Despite a decrease in revenue due in part to the impact of the earthquake, sales made a steady recovery in our domestic alcohol beverages and non-alcohol beverages businesses, and sales remained strong in our pharmaceuticals and biochemicals business. During the 1H, we achieved solid business performance as a whole group.

(Unit: billion yen)

	2011 2Q	YoY change	Yoy change (%)
Sales	1001.4	(8.7)	(0.9)
Operating income before goodwill amortization	95.7	16.0	20.1
(Goodwill amortization)	(22.8)	(3.0)	—
Operating income	72.8	12.9	21.7
Equity in earnings of affiliates	5.7	(1.8)	(24.8)
Ordinary income	72.5	16.2	28.9
Special income and expenses	(12.3)	17.1	—
Income before income taxes and minority interests	60.1	33.3	124.7
Income taxes	32.7	16.4	100.7
Minority interests	9.4	6.1	187.3
Net income	17.9	10.7	150.7

■ Breakdown by segment

(Unit: billion yen)

	Sales	Operating income
Domestic alcohol beverages	392.3 (6.4)	28.8 29.0
Domestic non-alcohol beverages	145.7 (12.5)	(1.0) —
Overseas beverages	232.5 27.6	11.4 (22.1)
Pharmaceuticals and biochemicals	181.1 (9.9)	31.3 33.0
Other	49.6 21.0	3.1 (20.4)

* Bottom figure: Year-on-year change (%)

Full-year forecast

- Although decreased sales due to the impact of the earthquake and the environmental change to our Australian operations are figured in the full-year forecast. We will ensure profitability on par with initial forecast by further strengthening 2H sales and cost controls. We will also work to create more customer demand, aimed at growth in the next term.

(Unit: billion yen)

	Full-year forecast	Difference to initial forecast	Y to Y Change (%)
Sales	2,110.0	(30.0)	(3.1)
Operating income before goodwill amortization	191.3	(2.9)	(1.1)
(Goodwill amortization)	(47.3)	(5.0)	—
Operating income	144.0	(8.0)	(5.0)
Equity in earnings of affiliates	10.0	(3.5)	6.1
Ordinary income	138.0	(10.0)	(2.1)
Special income and expenses	(8.0)	(9.0)	—
Income taxes	61.8	(13.4)	7.0
Minority interests	16.1	0.4	45.1
Net income	52.0	(6.0)	356.4

■ Breakdown by segment

(Unit: billion yen)

	Sales	Operating income
Domestic alcohol beverages	878.0 908.0	70.0 73.5
Domestic non-alcohol beverages	327.0 342.0	4.0 5.5
Overseas beverages	468.0 472.0	17.0 26.0
Pharmaceuticals and biochemicals	333.0 316.0	46.5 40.0
Other	104.0 102.0	8.0 8.5

* Top figure: Midterm revised figure
Bottom figure : Initial forecast

Kirin's state of recovery from the Great East Japan Earthquake, and impact on our business results

- Our product supply system has already returned to a level on par with before the earthquake. We are confident that operations at the Sendai Plant can be returned to normal, and we have already ascertained the outlook for losses for the whole group.

- Recovery schedule for Kirin Brewery's Sendai Plant

July	Resumption of power supply
Sep 26	First brewing
Early Nov	First shipment

[Ichiban Shibori Toretate Hop]



[Concept] A special Ichiban Shibori which makes lavish use of this year's freshly picked (*toretate* in Japanese) hops from the Tono area of Iwate Prefecture.

As a way of cheering up the people of the stricken areas, the first brand to be brewed at the restored Sendai Plant will be called "[Ichiban Shibori Toretate Hop](#)." By strengthening sales activities, together with our other factories, we aim to increase overall sales 50% year-on-year.

- Loss related to the Great East Japan Earthquake (special expenses) was ¥16.9 billion in 1H, and is forecast to be less than ¥20.0 billion for the year

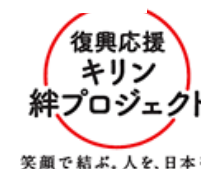
(Unit: billion yen)

Company	2Q special loss	Full-year
Total	16.9	Less than 20
Kirin Brewery	14.6	
Kirin Beverage	1.1	
Kyowa Hakko Kirin	0.3	
Other	0.8	

|| Kirin *Kizuna* Project: Support for Rebuilding – Start of activities to support rebuilding in affected areas –

Under a theme of "fostering bonds" ("*kizuna*" means ties or bonds in English), in order to further deepen the community bonds and family bonds of the people in the affected areas, we will carry out activities in three main parts:

Assistance for rebuilding regional food culture & food industries, Support for putting smiles on children's faces, and support for psychological and physical health



Domestic alcohol beverages business

- Sales of beers have been steadily recovering since April. During 2H, we will work to further strengthen our brands and create demand.

Business performance		2Q		Full-year forecast (midterm revision)	
		Billion yen	YoY change (%)	Billion yen	YoY change (%)
Kirin Brewery	Sales	347.0	(6.8)	782.1	(5.3)
	Operating income	26.8	19.9	66.0	(5.6)
Mercian	Sales	35.7	1.6	73.0	(6.1)
	Operating income	0.7	-	1.0	355.9

Sales performance (YoY rate of increase)	2Q	Full-year forecast (midterm revision)	Full-year forecast (initial)	Market forecast (midterm revision)	Market forecast (initial)
Beers	(5.3)	(4.6)	(2.4)	About (5%)	About (2%) to(3%)
Beer	(6.1)	(3.9)	(5.3)	About (7%)	About (4%)
Happo-shu	(9.5)	(9.7)	(11.4)	About (12%)	About (12%)
New genre	(0.5)	(0.7)	8.6	About (1%)	About 5%
Wine *	103	106	106	Slightly over the previous year	Slightly over the previous year

(Unit: %, * However wine is shown YoY)

- Following the earthquake, sales of different beers gradually began to recover in April. As for wines, maintained strong sales for our table wines. The decrease in marginal profit caused by the impact of the earthquake will be covered such as by controlling our sales promotion expenses.
- During the 2H, Kirin will further strengthen our core brands and high-growth categories through the selection and concentration of investment. And will continue to enhance cost controls, and minimize the impact of the earthquake on operating income. In tandem with this, Kirin will work to create customer demand, aimed at growth in the next term.

Domestic non-alcohol beverages business

- Continued revenue structure reforms, and sales were strong, particularly for our core brands . During the 2H, will further strengthen sales, such as through the release of new products which had been delayed because of the earthquake.

Business performance		2Q		Full-year forecast (midterm revision)	
		Billion yen	YoY change (%)	Billion yen	YoY change (%)
Kirin Beverage	Sales	147.5	(10.7)	329.5	(5.9)
	Operating income	(0.8)	-	4.0	50.8

Sales performance (YoY)	2Q	Full-year forecast (midterm revision)	Full-year forecast (initial)	Market forecast (midterm revision)	Market forecast (initial)
Total	98%	100%	105%	—	—
Domestic	98%	101%	104%	About 99%	About 99%
Black tea	112%	105%	101%		
Coffee	96%	110%	108%		
Green tea	88%	97%	111%		
Mineral water	115%	122%	105%		
Overseas	119%	78%	129%		

(Unit: %, YoY)

- Sales of our core brands *Gogo-no-Kocha* and *FIRE* remained strong, and demand for Mineral water and Japanese tea increased following the earthquake. Consequently, overall, achieved sales on about par with last year.
- During the 2H, will continue to promote revenue structure reforms, and further strengthen sales, particularly of our core brands. Aimed at growth in the next term, also introduce new products in series whose release had been delayed because of the earthquake.

Overseas beverages business

Lion's alcohol beverages business continued to invest in its high potential brands to drive sustainable growth, and soft drinks and foods business accelerated optimisation and efficiency to deliver sustainable results over the long term. Lion reviewed its annual target according to the tough trading conditions experienced in the first half, and is aiming to achieve the revised target.

		Oct 2010 to Mar 2011		Annual target (revised)	
		Billion yen	Year-on-year %	Billion yen	Year-on-year %
Sales	Alcohol	96.9	(5.6)	196.3	5.7
	Soft drinks	118.9	88.1	236.3	27.2
		215.9	30.1	432.7	16.4
Operating income	Alcohol	12.6	(16.2)	23.4	(8.4)
	Soft drinks	0.4	(31.2)	(1.8)	-
	Corporate expenses	(2.5)	-	(7.2)	-
		10.6	(23.4)	14.3	(29.6)

Alcohol beverages business

- Conditions in the Oceania market were particularly challenging. Low consumer confidence, fuelled by sustained economic uncertainty and rising cost of living pressures, continues to impact spending. This has been further compounded by an unusually cold spring and summer and two natural disasters – floods in Queensland and the earthquakes in New Zealand. Reflective of an overall decline in the beer market, Lion's alcohol beverage business saw volumes reduce.
- Despite this, new generation brand 'XXXX Summer Bright Lager', low-carb beer 'Hahn Super Dry 3.5', and cider 'Tooheys Extra Dry 5 Seeds' continued their impressive growth. Through the business' continued strategic focus on its high potential brands, the premiumisation trend and improvements in mix, revenue lifted per litre by around 3% on the prior period.
- In NZ the Canterbury Brewery (Christchurch), which was damaged in the earthquake, will become a warehouse and distribution centre, while The Pride (North Island) and Speight's Brewery (South Island) will be upgraded to assume responsibility for all production in NZ.

Soft drinks and food

- Conditions in the dairy and juice sectors remained very difficult for farmers and processors alike, driven by deep discounting of white milk in retail which has caused consumers to switch from branded products to private label and convenience stores to grocery. Lion continued to focus investment on its high potential brands while driving efficiencies in the business.
- Categories such as flavored milk, yoghurt, and branded dairy beverages performed well, driven by the launch of Dare (+70%) as a national brand, and Yoplait Forme (+20%), which drove an increase in yoghurt sales. To enhance our route to market sales function, Lion introduced new tablet technology.
- As part of its site optimisation, Lion announced a review of its cheese manufacturing assets in March, with the changes to be completed by 2015. After the completion of the review, Lion will have 16 domestic soft drinks and foods manufacturing sites in this part of the business. (It was 31 as of November 2008)

Pharmaceuticals and biochemicals business

■ We have revised our full-year forecast upward, reflecting the strong 1H results.

Business performance		2Q		Full-year forecast (midterm revision)	
		Billion yen	YoY change (%)	Billion yen	YoY change (%)
Kyowa Hakko Kirin	Net sales	186.3	(8.4)	342.0	(17.3)
	Operating income	31.3	33.0	46.5	(4.6)

Sales performance for major pharmaceutical products		2Q		Full-year forecast (midterm revision)		Full-year forecast (initial)	
		Billion yen	YoY (%)	Billion yen	YoY (%)	Billion yen	YoY (%)
Nephrology	NESP [®] / ESPO [®]	28.2	120	56.1	107	50.9	97
	REGPARA [®]	5.3	124	11.1	117	11.1	117
Immunology/allergy	Allelock [®]	18.1	130	29.0	108	29.8	111
	Patanol [®]	8.6	183	11.6	154	10.2	135
Oncology	GRAN [®] / Neu-up [®] *	6.7	93	14.5	101	14.5	101
Cardiovascular system	Coniel [®]	9.6	93	19.7	94	19.9	95

* The manufacturing and sales right of Neu-up[®] was taken over by YAKULT HONSHA CO., LTD. as of March 1, 2010.

- Sales remained strong for our key pharmaceutical, NESP[®], a treatment for nephrogenic anemia. In addition, higher amounts of airborne pollen helped sales of our antiallergic agents to easily surpass initial forecasts.
- Revised our full-year forecast upward, reflecting the strong 1H results.
- UK company, ProStrakan, became a wholly-owned subsidiary in April. Will begin to consolidate from the 2H.

Efforts for the challenges presented in the Medium-Term Business Plan

- Continued efforts aimed at boosting profitability and efficiencies, and moved toward further increases in outcomes by fully achieving our initial forecasts

CCT cost synergies

(Unit: billion yen)

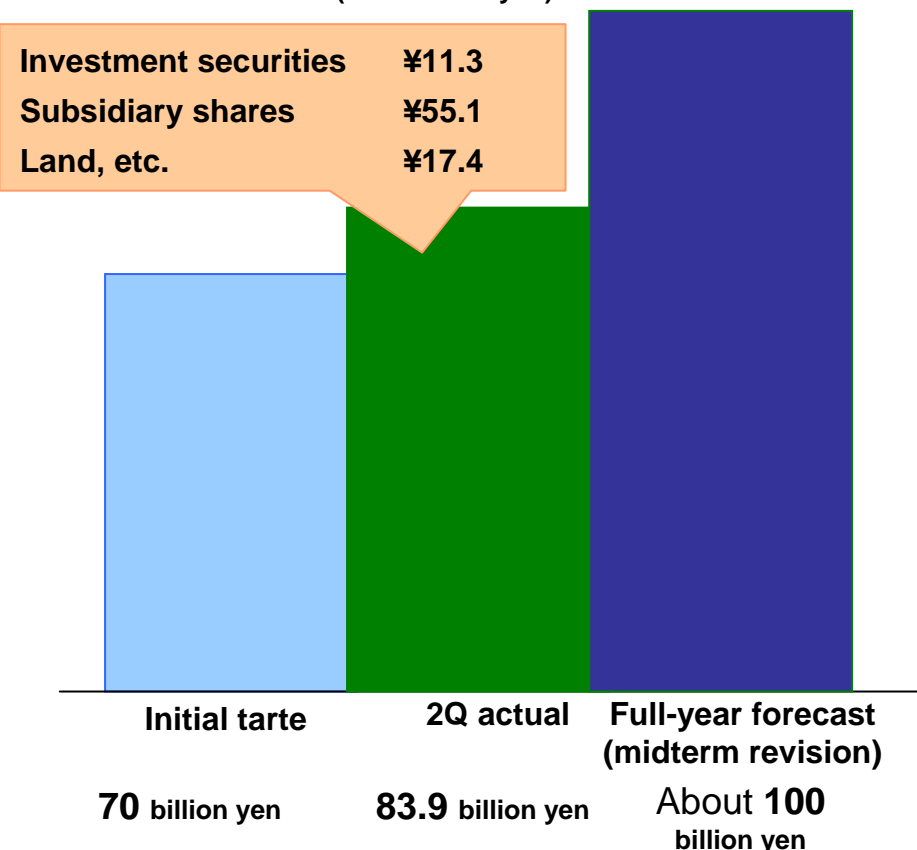
	Annual target	2Q	Progress rate (%)
Production / distribution	4.7	3.1	66
Purchasing	4.0	2.2	56
IT, etc.	0.7	0.4	61
Total	9.4	5.7	61

Selection and concentration of business portfolio

- Sold all shares of Kyowa Hakko Chemical (March)
 - Transferred Mercian's fish feed business (April)
 - Transferred shares of Kirin Australia* (April)
 - Transferred Mercian's pharmaceuticals and chemicals business (July)
- (* malt manufacturing subsidiary in Australia)

Asset liquidation

(Unit: billion yen)



International integrated beverages group strategy: Initiatives in China and Southeast Asia

[Singapore]

**Kirin Holdings Singapore
Fraser and Neave
Kirin Beverage**

Efforts focused on expanding sales of Group products via shared sales channels. Also promote efforts for joint product development.



[China]

**China Resources Enterprise
Kirin Beverage**

Following establishment* of joint venture company with China Resources Enterprise, aim to expand sales of Kirin brand products as quickly as possible utilizing the company's sales network. Also, work on co-development of product.

(* Scheduled for completion before the end of August)



[Vietnam]

**Vietnam Kirin Beverage
Interfood**

Promote efforts aimed at sharing sales and production functions within the Group.



[Philippines]

San Miguel Brewery

Continue to maintain stable growth in the Philippines. Continue joint efforts aimed at strengthening the company's overseas business base and creating new synergies.



Consolidation of Schincariol -Strategic Rationale-

While Asia and Oceania remain Kirin's most important regions, this transaction provides us with a solid base in a promising emerging market and supports our international integrated beverages group strategy

- Acquire an operational base in the large and high growth Brazilian beer and soft drinks markets
 - ✓ Brazilian beer and soft drinks markets are large and attractive markets estimated at BRL56.7 billion (¥2.8 trillion¹) and BRL57.7 billion (¥2.9 trillion¹) on value basis, 12.6 million kilolitres and 23.0 million kilolitres on volume basis, respectively. Also, these markets are expected to grow at approx. 10% and 12% on value basis, respectively, due to the population and personal income growth²
- Schincariol Group is one of a few companies with a strong nationwide business platform and a meaningful size both in the beer and soft drinks segments
 - ✓ Schincariol Group is the 2nd largest player in the beer market (approx. 15% share), and 3rd largest player in the CSD market (approx. 5%³ share). In the beer segment, Schincariol Group covers a wide range of premium to economy products and has a strong presence in the fast growing North-East region
 - ✓ 13 modern production facilities in Brazil, most of which are built after 2000
 - ✓ Around 80% of total sales volume is covered by its own distribution network and exclusive distributors
- Leveraging our strengths (technological, research & marketing, and product development capabilities), Kirin will support the further expansion of Schincariol Group by strengthening its existing brands and introducing new value-added products. Sales are expected to grow at 10% per year

Note:

- 1 BRL1=¥50.35 (as of August 1, 2011)
- 2 Based on Euromonitor and other sources
- 3 Euromonitor. Off-trade basis

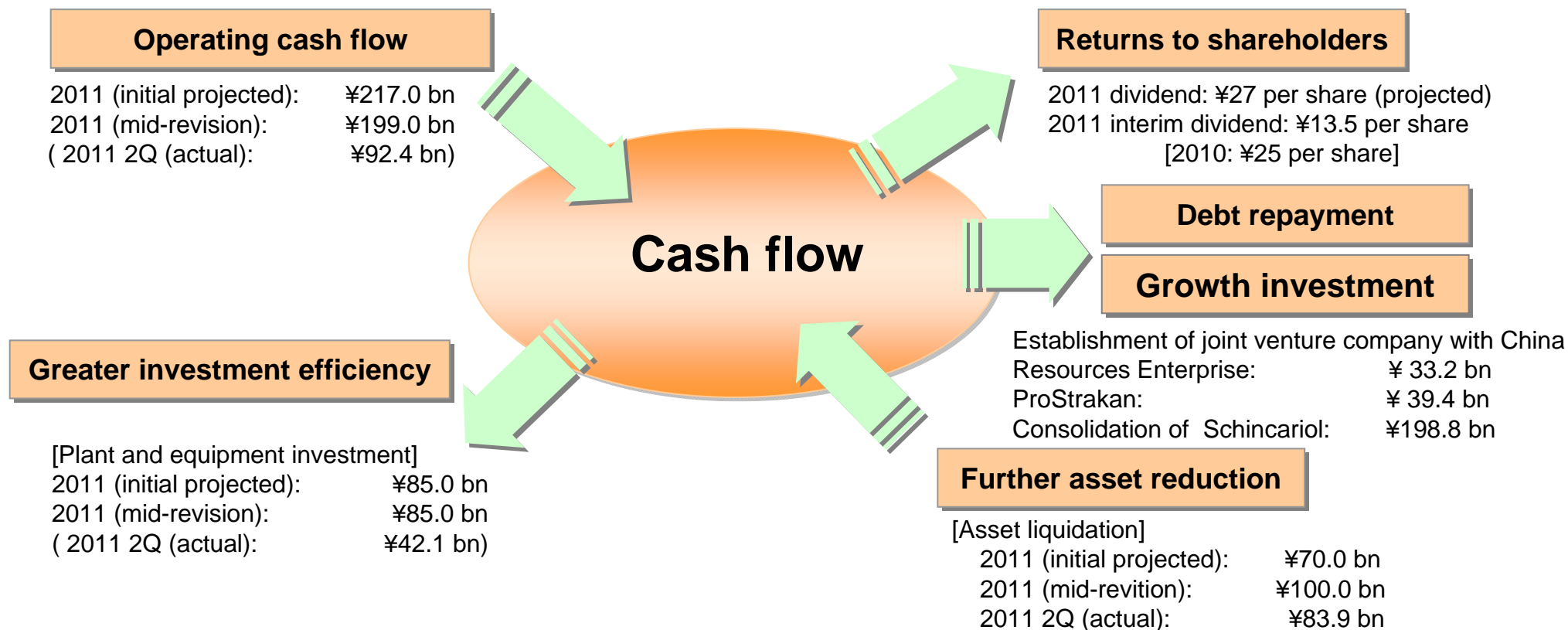


SCHINCARIOL



2011 Financial strategies

■ Asset liquidation has been aggressively promoted and 1H exceeded the initial target. D/E ratio after consolidation of Schincariol expected to be within 1.0x.



- Returns to shareholders
 1. Dividends: at least 30% consolidated payout ratio; aiming to increase dividends in line with substantive profit increases, bearing in mind the impact of amortization of goodwill associated with growth investment
 2. Share buyback: to be considered, bearing in mind the progress of qualitative expansion, on the condition of a steady medium-to long-term credit rating
- Capital structure D/E ratio after consolidation of schincario with interest-bearing debt expected to be within 1.0x which allowed as peak temporarily limit (D/E ratio expected to be 0.94 at the ended 2011)
- Growth investment Actively pursue investments that are consistent with direction of medium-term business plan KV2015 while considering operational profitability and investment efficiency

Appendix

- 2010-2012 medium-term business plan indices
- 2011 sales & operating income by segment
- Breakdown of goodwill: 2011 full-year forecast
- Individual consolidated periods
- Kirin Brewery (1H sales performance/full-year forecast , Changes in operating income)
- Mercian (1H sales performance/annual target, Other information)
- Kirin beverage (1H sales performance/annual target, Changes in operating income)
- Domestic alcohol beverages/Domestic non-alcohol beverages Product information
- Key production bases in Japan (alcohol/non-alcohol beverages)
- LION: 2Q actual results and main drivers for revision of full-year forecasts
- Antibody pharmaceutical pipeline
- San Miguel Brewery

Medium-term business plan indices

		2011 2Q (actual)	2011 Full-year forecast (revised 8/5)	2011 Full-year forecast (initial)	2012 End-of-year target
Sales	Excluding liquor tax Bottom figure: Year-on-year change (%)	¥857.1 billion 0.1%	¥1,782.0 billion (2.9)%	¥1,810.0 billion (1.4)%	¥2,130.0 billion —
Operating income	Before amortization of goodwill Bottom figure: Year-on-year change	¥95.7 billion 20.1%	¥191.3 billion (1.1)%	¥194.3 billion 0.4%	¥231.0 billion —
EBITDA	Bottom figure: Year-on-year change	¥134.0 billion 28.3%	¥294.0 billion 9.1%	¥312.0 billion 15.8%	¥341.0 billion —

Operating income ratio (%)	Before amortization of goodwill, excluding liquor tax	11.2	10.7	10.7	10.8
	After amortization of goodwill, excluding liquor tax	8.5	8.1	8.4	8.8
ROE (%)	Before amortization of goodwill		10.4	10.5	10%以上
	After amortization of goodwill		5.3		
EPS (¥)	Before amortization of goodwill		112	113	
	After amortization of goodwill		54		
Overseas ratio (%)	Sales excluding liquor tax	32	30	30	29
D/E ratio		0.74	0.94	0.65	0.5
Total assets turnover ratio	Sales excluding liquor tax		0.64	0.70	0.80以上

2011 sales & operating income by segment

	Sales			Operating income		
	2Q	Annual target (revised)	Annual target (initial)	2Q	Annual target (revised)	Annual target (initial)
Domestic alcohol beverages business	392.3 (6.4)	878.0 (5.4)	908.0 (2.2)	28.8 29.0	70.0 (4.4)	73.5 0.4
Domestic non-alcohol beverages business	145.7 (12.5)	327.0 (6.0)	342.0 (1.7)	(10) —	4.0 63.1	5.5 124.2
Overseas beverages business	232.5 27.6	468.0 15.8	472.0 16.8	11.4 (22.1)	17.0 (25.8)	26.0 13.5
Pharmaceuticals and biochemicals business	181.1 (9.9)	333.0 (17.9)	316.0 (22.1)	31.3 33.0	46.5 (4.6)	40.0 (17.9)
Other businesses	49.6 21.0	104.0 13.1	102.0 10.9	3.1 (20.4)	80 (1.3)	8.5 4.9
Corporate expenses • Inter-segment eliminations				(0.9) —	(15) —	(1.5) —
Total	1,001.4 (0.9)	2,110.0 (3.1)	2140.0 (1.7)	72.8 21.7	144.0 (5.0)	152.0 0.3

Top figure: Actual or forecast (billion yen)

Bottom figure: Year-on-year change (%)

Breakdown of goodwill: 2011 full-year forecast

(Unit: billion yen)

		Year acquired	Total amortization of goodwill, etc. (1) + (2) *1						
			Goodwill			Brand			
			Amortization (1)	Unamortized balance	Years remaining	Amortization (2) *2	Unamortized balance	Years remaining	
Consolidated subsidiaries	Lion Nathan	1998	2.5	16.8	7	6.1	7.2	11	8.7
	Lion Nathan (Goodwill)	1998	1.0	1.0	1	—	—	—	1.0
	Lion Nathan (wholly-owned subsidiary)	2009	14.3	258.2	18	—	—	—	14.3
	J. Boag & Son	2008	1.4	8.9	7	0.5	3.2	7	1.9
	National Foods	2007	6.6	108.8	17	2.8	40.2	17	9.5
	Kirin Beverage	2006	1.9	28.9	15	—	—	—	1.9
	Kyowa Hakko Kirin	2007	6.2	100.9	17	—	—	—	6.2
	Other		3.5	—	—	—	—	—	3.5
	Total consolidated subsidiaries		37.8			9.5			47.3
Equity method	San Miguel Brewery	2009	5.9	104.7	18	1.6	28.4	18	7.6
	Fraser and Neave	2011	1.1	28.3	20	—	—	—	1.1
	Total equity method		7.0			1.6			8.7
Total			44.9			11.1			56.1

*1 "Amortization of goodwill" in indices, etc.

*2 Amortization (2) is included in depreciation

Individual consolidated periods

● 2009

	2008				2009											
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Kirin Holdings																
Kyowa Hakko Kirin																
Lion Nathan																
National Foods																
San Miguel Brewery																
San Miguel																

● 2010

	2009				2010											
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Kirin Holdings																
Kyowa Hakko Kirin																
Lion Nathan National Foods (alcohol beverages)																
Lion Nathan National Foods (soft drinks)																
San Miguel Brewery																

● 2011

	2010				2011											
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Kirin Holdings																
Kyowa Hakko Kirin																
Lion Nathan National Foods (alcohol beverages)																
Lion Nathan National Foods (soft drinks)																
San Miguel Brewery																
Fraser and Neave Limited																

Accounting period of Kirin Holdings

Subsidiaries

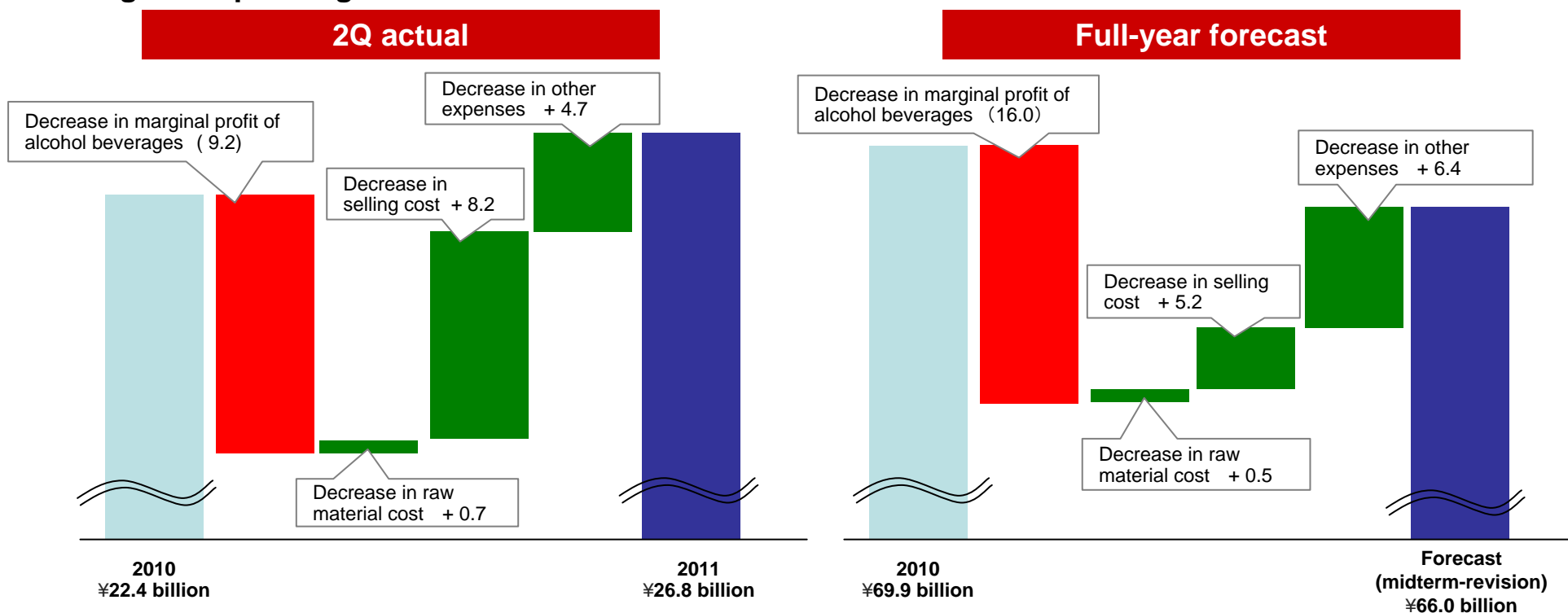
Affiliates accounted for by the equity method

Kirin Brewery

1. 1H sales performance/full-year forecast

	Jan-Mar		Apr-Jun		Jan-Jun		Annual target	
	Thousand KL	Year-on-year (%)	Thousand KL	Year-on-year (%)	Thousand KL	Year-on-year (%)	Thousand KL	Year-on-year (%)
Total	385	(9.0)	529	(2.4)	914	(5.3)	2,054	(4.6)
Beer	131	(8.1)	179	(4.3)	310	(6.1)	722	(3.9)
Happo-shu	119	(13.2)	162	(6.4)	281	(9.5)	597	(9.7)
New genre	134	(5.9)	188	3.9	322	(0.5)	735	(0.7)

2. Changes in operating income



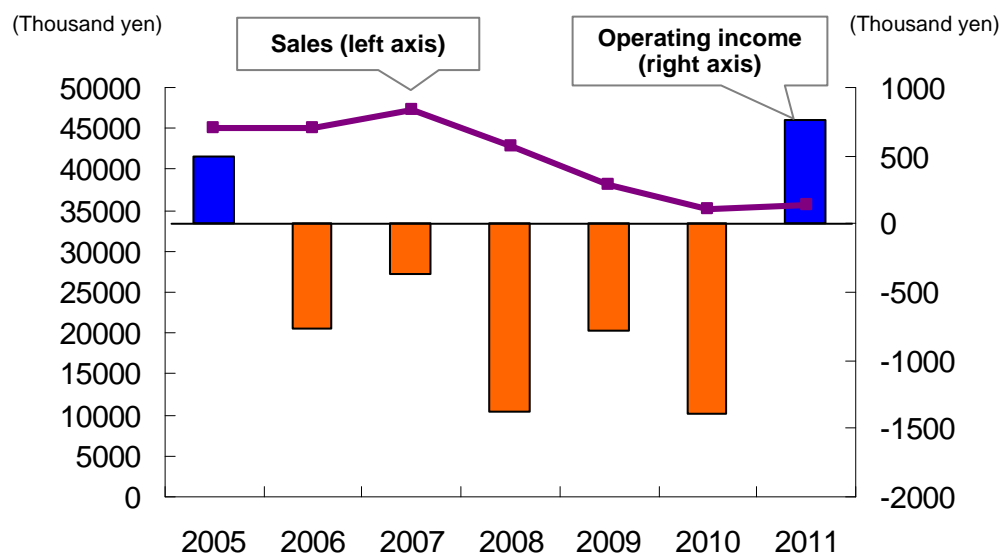
Mercian

1. 1H sales performance/annual target

	Jan-Mar	Apr-Jun	Jan-Jun	Annual target	
	Year-on-year	Year-on-year	Year-on-year	k case	Year-on-year
Total	101%	105%	103%	595	106%
Table wines	104%	111%	111%	356	108%
Fine wines	96%	97%	97%	239	103%
Domestic	102%	106%	104%		
Imported	81%	89%	85%		

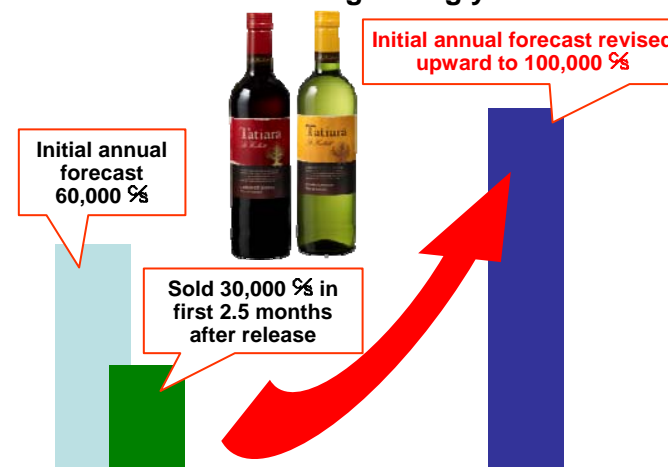
2. Other information

2Q return to surplus



Display of group synergy

Products jointly developed with LION selling strongly



Kirin Beverage

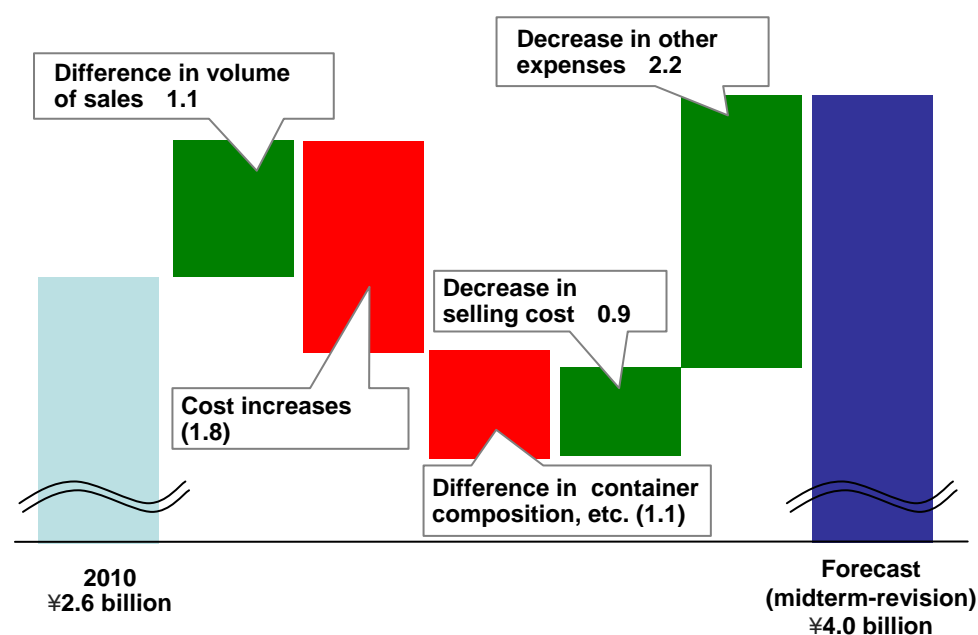
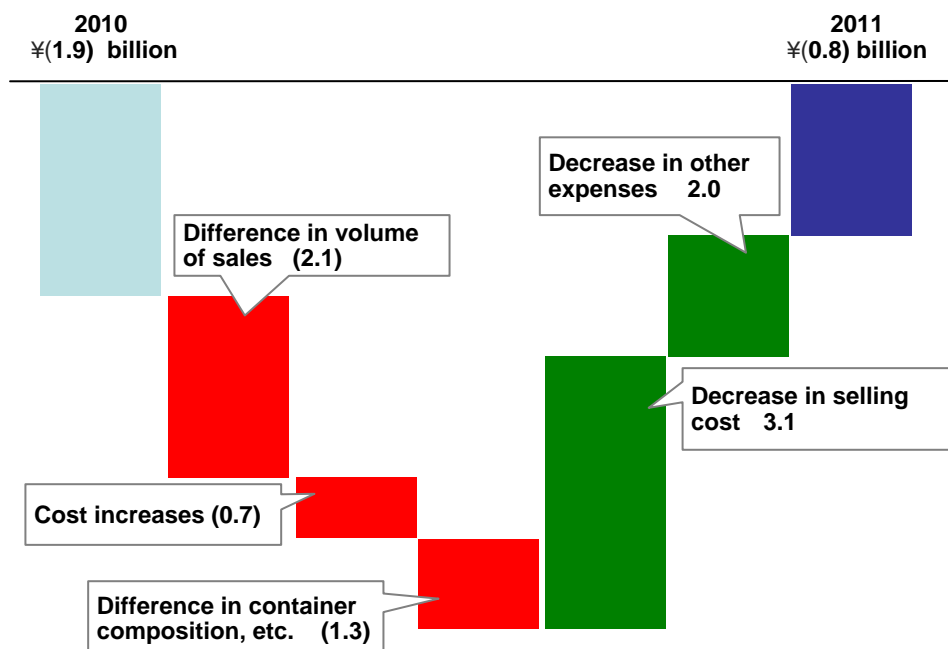
1. 1H sales performance/annual target

	Jan-Mar		Apr-Jun		Jan-Jun		Annual target (revised)	
	10, 000%	YonY	10,000%	Year-on-year	10,000%	Year-on-year	10,000%	Year-on-year
Total	3,501	98%	4,401	97%	7,902	98%	17,660	101%
Black tea	990	105%	1,258	119%	2,248	112%	4,680	105%
Coffee	719	91%	860	100%	1,579	96%	3,670	110%
Green tea	384	94%	537	84%	921	88%	2,150	97%
Mineral water	604	102%	889	126%	1,493	115%	3,460	122%

2. Changes in operating income

2Q actual

Full-year forecast



Domestic alcohol beverages/Domestic non-alcohol beverages

Product information

1. Main new and redesigned products in 2H



2. Main Mercian products (table wines)



Key production bases in Japan (alcohol/non-alcohol beverages)

**Kirin Brewery plants
(production capacity (KL))**

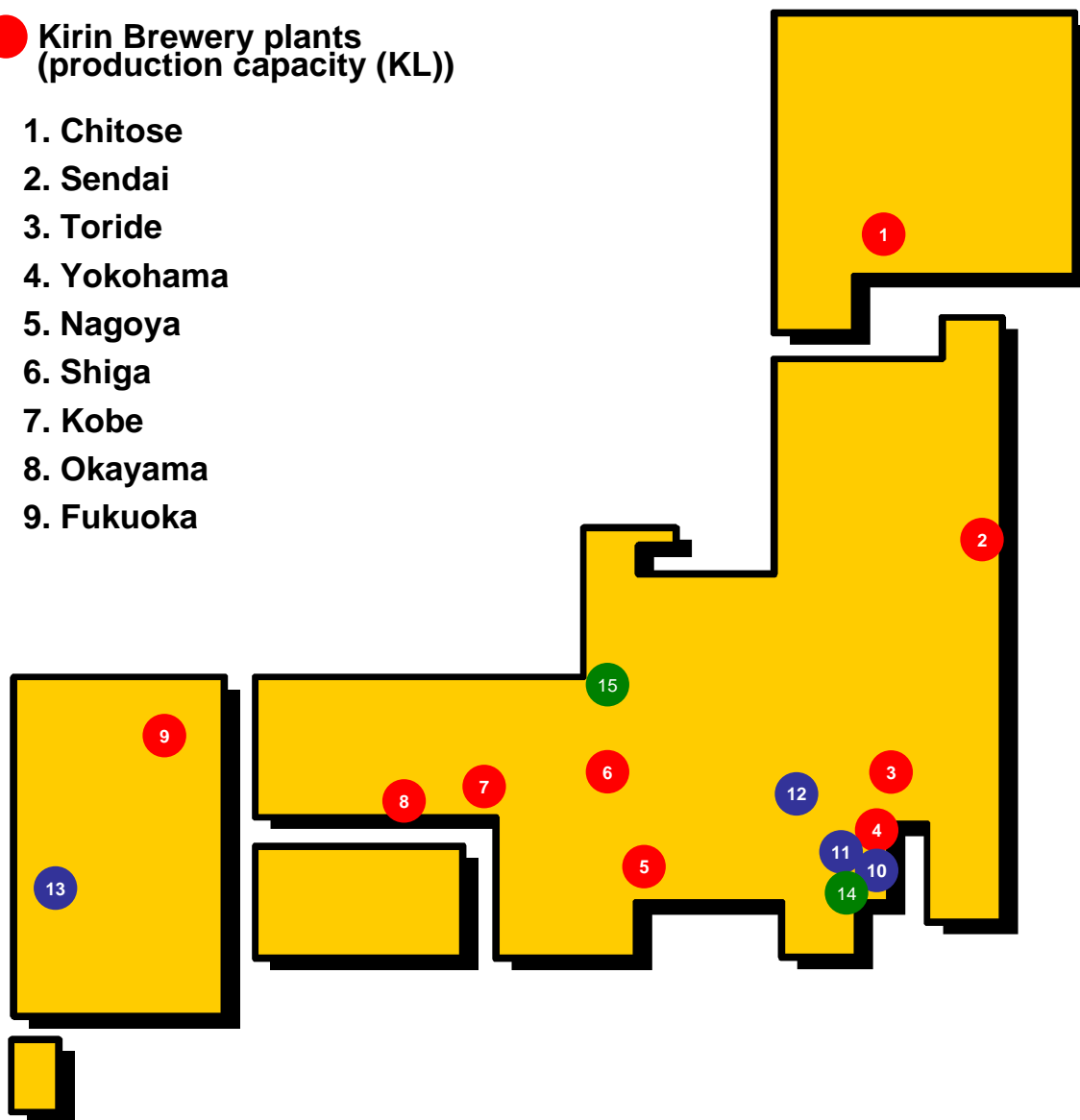
1. Chitose
2. Sendai
3. Toride
4. Yokohama
5. Nagoya
6. Shiga
7. Kobe
8. Okayama
9. Fukuoka

Other alcohol beverages

10. Mercian Fujisawa plant
11. Kirin Distillery, Fuji-Gotemba Distillery
12. Château Mercian
13. Mercian Yatsushiro Plant

Soft drinks

14. Kirin Beverage Shonan Plant
15. Kirin Beverage Maizuru Plant



LION: 2Q actual results and main drivers for revision of full-year forecasts

2011 2Q Actual [local currency basis (consolidated, after reclassification)] Unit: AUD million

Operating income (Before goodwill and brand amortization)	Oct 2010 to Mar 2011	YoY change	Cause of change		
Beer, Spirits and wines	308	(31)	Volume	(45)	sales volume (8.2)%
			COGS	6	
			Other	8	
Dairy and Drinks	62	19	Volume *	(43)	sales volume (13.4)%
			COGS *	(34)	
			Other *	62	
			Impact of fiscal change term	34	FY2011.1Q Actual

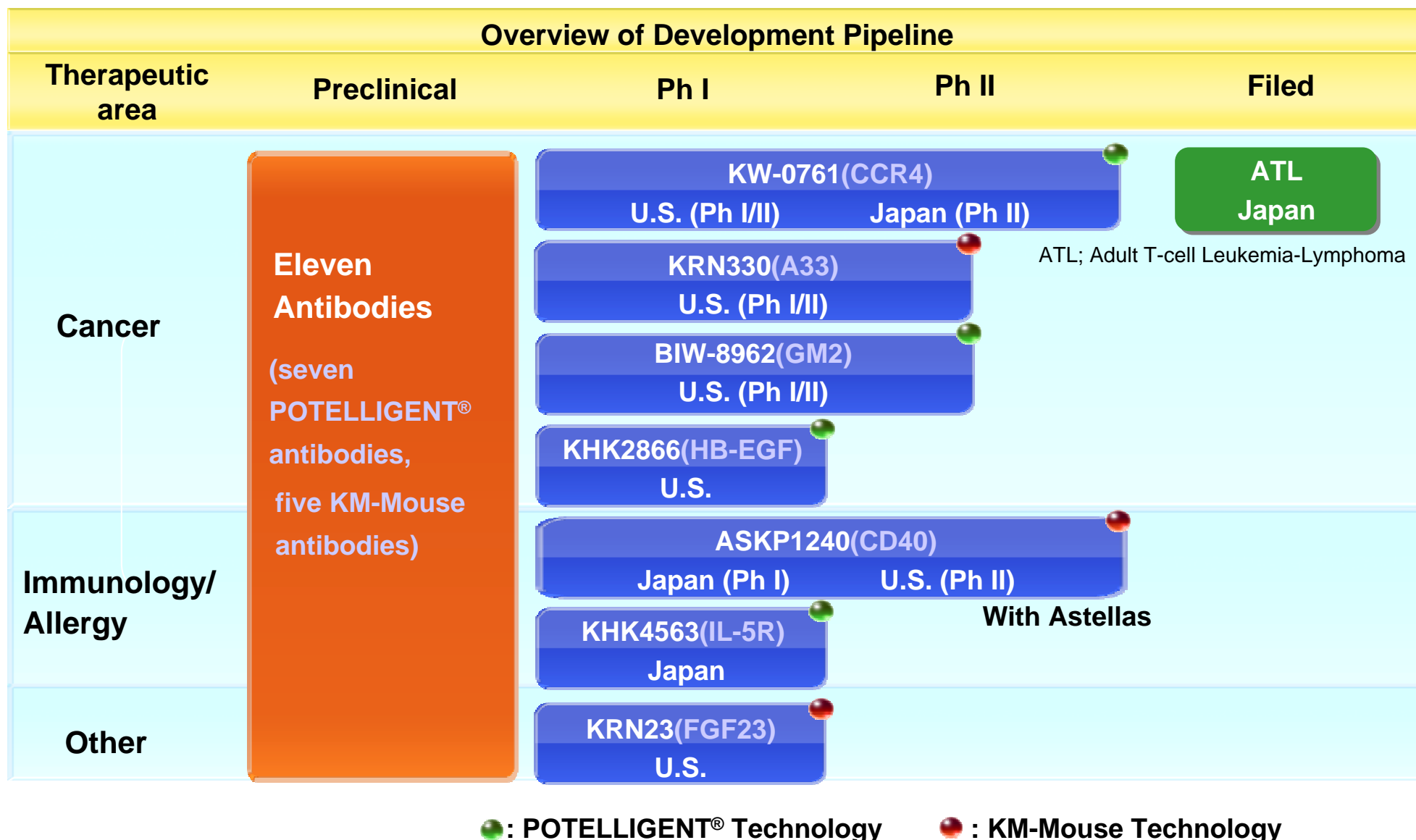
* YoY change: Jan-Mar (3months)

2011 Revised full-year forecast [local currency basis (consolidated, after reclassification)] Unit: AUD million

Operating income (Before goodwill and brand amortization)	Oct 2010 to Sep 2011	YoY change	Cause of change		
Beer Spirits and wines	582	(45)	Volume	(26)	sales volume (2.7)%
			COGS	2	
			Other	(21)	
Dairy and Drinks	91	(7)	Volume *	(70)	sales volume (16.5)%
			COGS *	42	
			Other *	(13)	
			Impact of fiscal change term	34	FY2011.1Q Actual

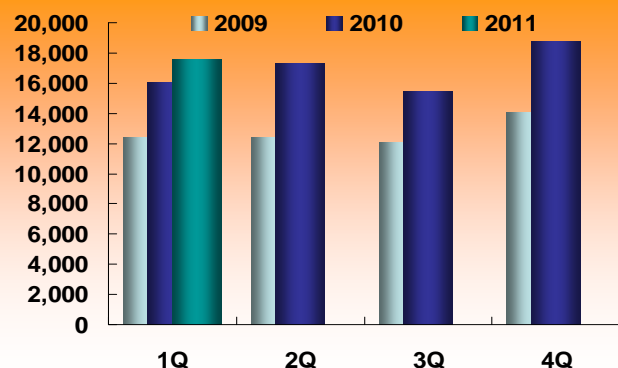
* YoY change: Jan-Sep (9months)

Antibody pharmaceutical pipeline (as of August 2, 2011)

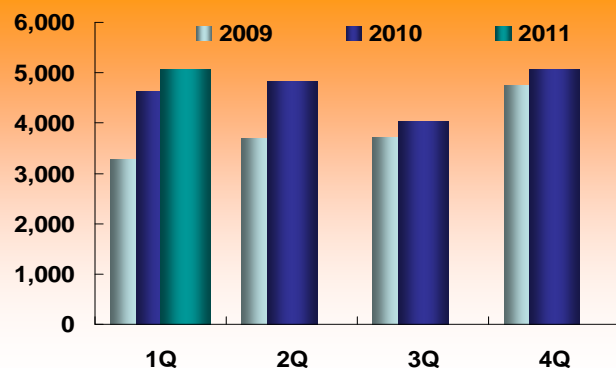


San Miguel Brewery

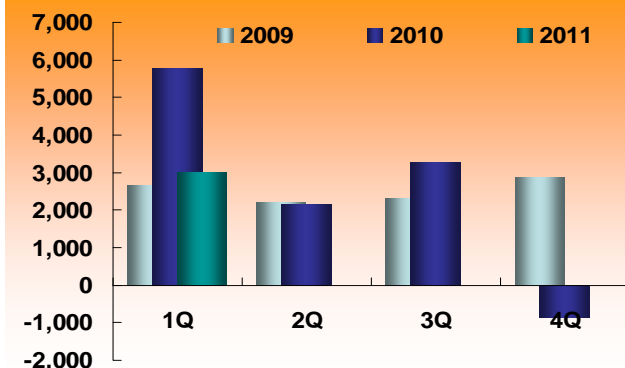
Sales



Operating income



Net income



(Unit: PHP million. Source: San Miguel Brewery website)

1H strong sales came from continuously steady economic growth and robust domestic consumption in Philippines despite its slowdown of GDP growth. Income-up of farm people with grain and sugar price up contributes

Main San Miguel brands

Upper Premium



Premium



Upper Popular



Popular



Economy



Non-Alcoholic

