



KIRIN HOLDINGS COMPANY, LIMITED

August 3, 2012

SUMMARY OF CONSOLIDATED FINANCIAL RESULTS FOR THE SIX MONTHS ENDED JUNE 30, 2012 (UNDER JAPANESE GAAP) (UNAUDITED)

(English Translation)

Fiscal year ending December 31, 2012

KIRIN HOLDINGS COMPANY, LIMITED

10-1, Shinkawa 2-chome, Chuo-ku, Tokyo, Japan (URL <http://www.kirinholdings.co.jp/english/>)

Code No.:	2503
Shares Listed:	Tokyo, Osaka, Nagoya, Sapporo and Fukuoka
Representative:	Mr. Senji Miyake, President
For further information, please contact:	Ms. Junko Tsuboi, General Manager of Corporate Communications
	Telephone: +81-3-5540-3455 from overseas
Submission date of quarterly securities report scheduled:	August 10, 2012
Commencement date of dividend distribution scheduled:	September 10, 2012
Preparation of supplementary documents to the quarterly financial results:	Yes
Holding of quarterly financial results presentation (for institutional investors and analysts):	Yes

1. Consolidated business results and financial position for the first six months of the current fiscal year (January 1, 2012 - June 30, 2012)

[Unit: Japanese yen (¥)]

(1) Results of operations (cumulative): (Fractions less than ¥1 million have been omitted.)

	Sales (¥ millions)	Percentage change (%)	Operating income (¥ millions)	Percentage change (%)	Ordinary income (¥ millions)	Percentage change (%)
Six months ended						
June 30, 2012	1,041,652	4.0	57,201	(21.4)	49,472	(31.8)
June 30, 2011	1,001,445	(0.9)	72,812	21.7	72,559	28.9

Note: Comprehensive income	June 30, 2012	¥94,874 million [65.4%]
	June 30, 2011	¥57,369 million [- %]

	Net income (¥ millions)	Percentage change (%)	Net income per share (Basic) (¥)	Net income per share (Diluted) (¥)
Six months ended				
June 30, 2012	13,109	(26.9)	13.63	12.92
June 30, 2011	17,940	150.7	18.65	18.55

Note: Percentage change compares current results with those of the same period of the previous year.

(2) Financial position:

	Total assets	Net assets	Ratio of equity to total assets
	(¥ millions)	(¥ millions)	(%)
As of			
June 30, 2012	2,857,510	1,120,546	32.4
December 31, 2011	2,854,254	1,047,895	29.9
Reference: Equity	June 30, 2012	¥926,232 million	
	December 31, 2011	¥852,922 million	

2. Dividends

	Annual dividends				
	First quarter (¥)	Second quarter (¥)	Third quarter (¥)	Year-end (¥)	Total (¥)
Fiscal year ended December 31, 2011	—	13.50	—	13.50	27.00
Fiscal year ending December 31, 2012	—	13.50			
Fiscal year ending December 31, 2012 (Forecast)			—	13.50	27.00

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

**3. Forecast consolidated business results for the current fiscal year
(January 1, 2012 - December 31, 2012)**

	Sales	Percentage change	Operating income	Percentage change	Ordinary income	Percentage change
	(¥ millions)	(%)	(¥ millions)	(%)	(¥ millions)	(%)
Fiscal year ending December 31, 2012	2,220,000	7.2	155,000	8.5	134,000	(2.1)

	Net income	Percentage change	Net income per share
	(¥ millions)	(%)	(¥)
Fiscal year ending December 31, 2012	48,000	548.0	49.91

Note: Percentage change compares current results with those of the same period of the previous year.

Note: Revision of the forecast from recently announced figures: Yes

* Notes

(1) Changes in significant subsidiaries for the six months ended June 30, 2012: None

(Changes in specified subsidiaries accompanying change in scope of consolidation.)

Newly included: –

Excluded: –

(2) Application of specific accounting for preparing the quarterly consolidated financial statements: Yes

Note: For details, please refer to (2) APPLICATION OF SPECIFIC ACCOUNTING FOR PREPARING THE QUARTERLY CONSOLIDATED FINANCIAL STATEMENTS on page 5 of the Attached Materials.

(3) Changes in accounting policies, changes in accounting estimates, and restatements

- | | |
|---|------|
| i. Changes in accounting policies due to amendment of accounting standards: | None |
| ii. Changes in accounting policies due to other reasons: | None |
| iii. Changes in accounting estimates: | None |
| iv. Restatements: | None |

(4) Number of shares outstanding (common stock)

- | | |
|--|--------------------|
| i. Number of shares outstanding at the end of the period (including treasury stock) | |
| As of June 30, 2012 | 965,000,000 shares |
| As of December 31, 2011 | 965,000,000 shares |
| ii. Number of treasury stock at the end of the period | |
| As of June 30, 2012 | 3,284,168 shares |
| As of December 31, 2011 | 3,268,428 shares |
| iii. Average number of shares during the period (cumulative from the beginning of the fiscal year) | |
| For the six months ended June 30, 2012 | 961,711,985 shares |
| For the six months ended June 30, 2011 | 961,827,456 shares |

* Explanation regarding performance of quarterly review procedures

This summary of quarterly consolidated financial results is not subject to a quarterly review in accordance with the Financial Instruments and Exchange Law of Japan. At the time of disclosure of this summary of quarterly consolidated financial results, the quarterly review procedures in accordance with the Financial Instruments and Exchange Law of Japan are incomplete.

* 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, Friday, August 3, and it will post the presentation materials from the financial results presentation held today, the presentation content (video) and the main Q&A at the meeting as soon as possible on the Company's website.

(URL of the Company's website)

<http://www.kirinholdings.co.jp/english/ir/event/explain/index.html>

ATTACHED MATERIALS

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1. QUALITATIVE INFORMATION REGARDING CONSOLIDATED RESULTS FOR THE SIX MONTHS

(1) BUSINESS PERFORMANCE

Gradual signs of recovery, including higher personal spending due to positive trends in consumer confidence, could be seen in the Japanese economy during the second quarter (January 1, 2012 to June 30, 2012). This was despite continued difficult circumstances due in part to the effects of overseas economies that are yet to emerge from their own slowdowns.

In this economic context, the Kirin Group has been moving towards the realization of our long-term business framework known as “Kirin Group Vision 2015”, or simply KV2015. During this, the final year of the second stage of the “2010-2012 Kirin Group’s medium-term business plan”, continued efforts have targeted increased profitability, while also seeking sales growth and recovery through reinforcement of brand strength and sales capabilities together with delivery of new value to customers.

In Japan, Kirin Brewery Company, Limited, Mercian Corporation and Kirin Beverage Company, Limited continued to make structural changes along the entire value chain, and they drove the integrated beverages group strategy further forward, based on management centered on product brands.

Overseas, Schincariol Participações e Representações S.A., which was added to the Kirin Group last year, worked on measures aimed at improving profitability and efficiency under a new management structure.

As a result of these factors, sales increased during the current second quarter, mainly due to the incorporation of Schincariol’s P&L into our overseas alcoholic and non-alcoholic beverages business. However, operating income, ordinary income, and net income were down with an increase in sales costs following the previous year that was influenced by the Great East Japan Earthquake, as well as the exclusion of the chemicals business from our consolidated pharmaceuticals and bio-chemicals business results.

Kirin Holdings Company, Limited 2012 second quarter results:

Consolidated sales	¥1,041.6 billion, up 4.0%
Consolidated operating income	¥57.2 billion, down 21.4%
Consolidated ordinary income	¥49.4 billion, down 31.8%
Consolidated net income	¥13.1 billion, down 26.9%

Meanwhile, Lion Pty Ltd (of Australia) agreed with the board of directors of Little World Beverages (LWB), a manufacturer and seller of craft beers, to initiate procedures to acquire the approx. 64% of shares outstanding that Lion does not already hold and make LWB a wholly owned subsidiary. Further growth will be sought in the Australian craft beer market, which continues to expand

Results by segment are as follows.

Domestic Alcohol Beverages Business

At Kirin Brewery Company, Limited, in addition to strengthening our core brands through selection and concentration, we are pursuing sales growth by creating new value that meets customers’ needs. In the beer category, a new style of drinking was presented in the form of *KIRIN ICHIBAN Frozen Beer*, featuring a new taste experience. In new genres, *Kirin Nodogoshi Nama* was given a renewal with a more refined taste, while in RTD (ready to drink), a seasonally limited version of *Kirin Chuhai Hyoketsu* was released in pursuit of greater brand presence. In non-alcoholic beer-tasting beverages, a full-scale roll-out of *Kirin Free* was launched in the United States. Although these efforts led to higher sales volume compared to the previous year for new genres and RTD, competition aimed at stimulating demand resulted in lower volume than the previous year for the total comprised of beer, happo-shu, and new genres, as well as for non-alcoholic beer-tasting beverages.

At Mercian Corporation, development and reinforcement efforts are underway, aimed at achieving No.1 status in the category for targeted product brands. As the wine market expands, sales performance has been strong especially for table wines including Mercian every released in March, Mercian *Oishii-sankaboshizai-mutenka wine* (delicious and antioxidants-free wine) and *Franzia* (a Californian wine which was given a renewal). Both domestic wines and imports saw year-on-year growth for the quarter. Sales were down based on these results, and, given increased selling expenses relative to the previous year when the Great East Japan Earthquake occurred, operating income was also down.

Domestic alcohol beverages business 2012 second quarter results:

Consolidated sales	¥388.6 billion, down 0.9%
Consolidated operating income	¥21.4 billion, down 25.9%

Domestic Non-Alcohol Beverages Business

At Kirin Beverage Company, Limited, in addition to continuing to promote revenue structure reforms, we further strengthened our product value and sales force, and we are making efforts for measures aimed at boosting earnings based on growth.

Kirin no awa was launched in a bid to create new territory in the area of carbonated beverages, as well as *Kirin Mets Cola*, which is the first-ever cola drink designated as a food for specified health uses. The latter product sold 2 million cases during the two months after launch, double the initial annual sales plan. We are thus establishing a completely new segment in the cola drinks market, distinct from the existing “sugared cola” and “zero cola” segments. Also, accompanying the growth in the market for water in the wake of the Great East Japan Earthquake, *Kirin alkali ion no mizu* has been a solid performer with increased sales compared to the previous year.

As a result, sales increased, but operating loss increased, in part due to the increase in selling expenses relative to the previous year which had been affected by the Great East Japan Earthquake, as well as due to issues such as changes in the handling structure for sales containers.

Domestic non-alcohol beverages business 2012 second quarter results:

Consolidated sales	¥151.2 billion, up 3.8%
Consolidated operating loss	¥(2.5) billion, -%

Overseas Beverages Business

While the Australian economy has benefited from its strong resource sector, the retail, grocery and other consumer goods sectors continue to experience tough market conditions. Despite these challenges, Lion continues to pursue its strategy of investing in its people and a focused portfolio of high potential brands to drive sustainable results in the long term.

Lion's alcohol business continued to manage its business for the long term through innovation and a sustainable balance of volume, pricing, and mix. *XXXX Gold*, now Australia's number one beer by volume, continued to grow volume and value share off a large base, while the *James Squire* craft trademark continued its impressive double digit growth. Lion also strengthened its international premium portfolio through new licensing agreements for Australia's largest premium beer, *Corona Extra*, as well as *Stella Artois*.

The soft drinks and foods business has gone through significant structural reform to improve profitability and continues to focus on a portfolio of high potential brands to deliver sustainable growth over the long-term. While subdued consumer sentiment and deep retailer discounting on white milk continues to impact the business, Lion's dairy beverages continued to perform well, with *Dare* growing volume and value share significantly. Specialty cheese brands *South Cape* and *Tasmanian Heritage* posted strong value growth. The Brazilian economy appears to be slowing down slightly, but individual consumption remains strong. Schincariol moved ahead with marketing and sales activities targeting greater profitability, as represented by reinforcement of major brands, while also implementing dramatic improvements in the procurement process and stronger value chain functionality. Performance was strong for major brands centered on *Nova Schin* beer and *Schin* carbonated drinks, with year-on-year sales increases for both alcoholic and non-alcoholic beverages.

Based on these results, increases were seen in both sales and operating income.

Overseas beverages business 2012 second quarter results:

Consolidated sales	¥293.7 billion, up 26.3%
Consolidated operating income	¥11.7 billion, up 2.3%

Pharmaceuticals and Bio-chemicals Business

In the domestic pharmaceuticals business, despite strong sales of *NESP* (for renal anemia treatment) by Kyowa Hakko Kirin Co., Ltd., sales were down due to reductions in standard drug prices implemented in April.

In the area of pharmaceutical exports and technology revenue, sales were higher due to strong exports together with technology revenue recorded from Kyowa Kirin Fuji Film Biologics Co., Ltd.

With respect to research and development, approval was obtained in March for the therapeutic agent for adult T-cell leukemia-lymphoma (ATL), *POTELIGEO* (a humanized monoclonal antibody that uses proprietary antibody technologies), and sales were initiated in May. In Asia, Korean approval was obtained in May for Pegfilgrastin (trade-named *Neulasta*).

In the bio-chemicals business, despite increased production and pricing revisions linked to continued strong overseas demand for pharmaceuticals and industrial feedstocks from Kyowa Hakko Bio Co., Ltd., sales were

down due to the effects of the yen's strength against the euro triggered by the European credit crisis. Based on these results, and with the exclusion of our chemicals business from consolidation at the end of March 2011, sales and operating income were both down.

Pharmaceuticals and bio-chemicals business 2012 second quarter results:	
Consolidated sales	¥161.5 billion, down 10.8%
Consolidated operating income	¥26.8 billion, down 14.2%

Other Businesses

At Kirin Kyowa Foods, despite solid performance in the snack foods and restaurant foods businesses, total sales were down due to a generally sluggish market in the core Ingredients for processed foods, as well as the competitive environment for mainstay flavor enhancement products.

In the area of other businesses as a whole, sales and operating income were both down.

Other businesses 2012 second quarter results:	
Consolidated sales	¥46.4 billion, down 6.5%
Consolidated operating income	¥1.7 billion, down 44.2%

(2) FINANCIAL POSITION

Total assets as of June 30, 2012 stood at ¥2,857.5 billion, an increase of ¥3.2 billion compared to December 31, 2011. Although there were declines cash, notes and accounts receivable, trade and property, plant and equipment, there were increases in intangible assets and investment securities.

Total liabilities stood at ¥1,736.9 billion, a decrease of ¥69.3 billion compared to December 31, 2011. The decrease was mainly due to decreases in interest-bearing debt and liquor taxes payable.

Net assets stood at ¥1,120.5 billion, an increase of ¥72.6 billion compared to December 31, 2011 due in part to an increase in foreign currency translation adjustment.

(3) CONSOLIDATED FORECASTS

As a result of taking into account the performance of each business, the forecasts for the full year have been revised as indicated below.

Consolidated forecasts for the year ending December 31, 2012

(Unit: Japanese yen (¥))

	Sales (¥ millions)	Operating income (¥ millions)	Ordinary income (¥ millions)	Net income (¥ millions)	Net income per share (¥)
Previous forecasts (A)	2,230,000	162,000	140,000	48,000	49.91
Revised forecasts (B)	2,220,000	155,000	134,000	48,000	49.91
Change (B-A)	(10,000)	(7,000)	(6,000)	—	—
Change (%)	(0.4)	(4.3)	(4.3)	—	—
Actual result for previous fiscal year	2,071,774	142,864	136,818	7,407	7.70

2. SUMMARY INFORMATION (NOTES)

(1) CHANGES IN SIGNIFICANT SUBSIDIARIES FOR THE SIX MONTHS ENDED JUNE 30, 2012

There are no matters to report under this item.

(2) APPLICATION OF SPECIFIC ACCOUNTING FOR PREPARING THE QUARTERLY CONSOLIDATED FINANCIAL STATEMENTS

Calculation of income taxes

Income taxes for the period are calculated by multiplying net income before income taxes for the period by the estimated annual effective rate which is calculated based on the estimated income before taxes for the full year and the estimated annual income taxes after the application of tax effect accounting.

(3) CHANGES IN ACCOUNTING POLICIES, CHANGES IN ACCOUNTING ESTIMATES, AND RESTATEMENTS

There are no matters to report under this item.

3. CONSOLIDATED FINANCIAL STATEMENTS

(1) CONSOLIDATED BALANCE SHEETS

(¥ millions)

	As of December 31, 2011	As of June 30, 2012
ASSETS		
Current Assets		
Cash	76,218	64,857
Notes and accounts receivable, trade	406,448	389,464
Merchandise and finished goods	112,986	126,440
Work in process	30,937	35,072
Raw materials and supplies	49,059	49,447
Other	88,664	86,986
Allowance for doubtful accounts	(6,250)	(5,924)
Total Current Assets	758,065	746,344
Non-current Assets		
Property, plant and equipment (Net of accumulated depreciation and accumulated loss from impairment)	763,833	754,858
Intangible Assets		
Goodwill	713,749	730,033
Other	102,511	110,193
Total	816,261	840,227
Investments and Other Assets		
Investment securities	417,619	420,765
Other	105,156	101,857
Allowance for doubtful accounts	(6,681)	(6,543)
Total	516,094	516,079
Total Non-current Assets	2,096,189	2,111,165
TOTAL ASSETS	2,854,254	2,857,510

	As of December 31, 2011	As of June 30, 2012
LIABILITIES		
Current Liabilities		
Notes and accounts payable, trade	146,955	148,892
Short-term loans payable and long-term debt with current maturities	85,517	69,141
Commercial papers	121,989	98,994
Bonds due within one year	23,111	99,996
Income taxes payable	26,783	25,864
Reserves	7,549	6,293
Other	303,512	279,312
Total Current Liabilities	715,419	728,494
Non-current Liabilities		
Bonds	365,487	286,454
Long-term debt	468,999	474,409
Employees' pension and retirement benefits	65,516	62,780
Other reserves	29,458	27,605
Other	161,478	157,219
Total Non-current Liabilities	1,090,939	1,008,469
TOTAL LIABILITIES	1,806,359	1,736,963
NET ASSETS		
Shareholders' Equity		
Common stock	102,045	102,045
Capital surplus	81,417	81,415
Retained earnings	801,856	802,394
Treasury stock, at cost	(3,271)	(3,285)
Total Shareholders' Equity	982,048	982,570
Accumulated Other Comprehensive Income		
Net unrealized gains on securities	11,116	15,477
Deferred gains or losses on hedges	(279)	(806)
Land revaluation difference	(2,543)	(2,543)
Foreign currency translation adjustments	(137,419)	(68,465)
Total Accumulated Other Comprehensive Income	(129,126)	(56,337)
Subscription Rights to Shares	250	153
Minority Interests	194,722	194,159
TOTAL NET ASSETS	1,047,895	1,120,546
TOTAL LIABILITIES AND NET ASSETS	2,854,254	2,857,510

(2) CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
(CONSOLIDATED STATEMENTS OF INCOME)

(¥ millions)

	Six months ended June 30, 2011	Six months ended June 30, 2012
Sales	1,001,445	1,041,652
Cost of sales	592,047	609,746
Gross profit	409,398	431,905
Selling, general and administrative expenses	336,586	374,704
Operating income	72,812	57,201
Non-operating income		
Interest income	1,511	1,204
Dividend income	3,368	1,821
Equity in earnings of affiliates	5,701	–
Other	1,878	4,999
Total	12,460	8,025
Non-operating expenses		
Interest expense	10,775	10,429
Equity in losses of affiliates	–	128
Other	1,937	5,196
Total	12,713	15,754
Ordinary income	72,559	49,472
Special income		
Gain on sale of property, plant and equipment and intangible assets	13,646	3,587
Gain on sale of investment securities	1,619	2,698
Gain on sale of shares of subsidiaries and affiliates	6,604	269
Other	3,940	637
Total	25,811	7,191
Special expenses		
Loss on disposal of property, plant and equipment and intangible assets	929	2,633
Loss on sale of property, plant and equipment and intangible assets	583	295
Loss on impairment	1,693	–
Loss on devaluation of investment securities	3,515	4
Loss on sale of investment securities	–	326
Loss on sale of shares of subsidiaries and affiliates	1,957	64
Business restructuring expense	2,243	1,972
Loss related to the Great East Japan Earthquake	16,923	–
Other	10,350	1,297
Total	38,197	6,595
Income before income taxes and minority interests	60,173	50,068
Income taxes	32,775	28,844
Income before minority interests	27,397	21,223
Minority interests	9,456	8,114
Net income	17,940	13,109

(CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME)

(¥ millions)

	Six months ended June 30, 2011	Six months ended June 30, 2012
Income before minority interests	27,397	21,223
Other comprehensive income		
Net unrealized gains on securities	(1,124)	4,122
Deferred gains or losses on hedges	(973)	(611)
Foreign currency translation adjustments	30,752	55,804
Share of other comprehensive income of equity-method affiliates	1,316	14,336
Total other comprehensive income	29,971	73,651
Comprehensive income	57,369	94,874
Comprehensive income attributable to:		
Owners of the parent	48,551	85,897
Minority interests	8,817	8,976

(3) CONSOLIDATED STATEMENTS OF CASH FLOWS

(¥ millions)

	Six months ended June 30, 2011	Six months ended June 30, 2012
Cash flows from operating activities		
Income before income taxes and minority interests	60,173	50,068
Depreciation and amortization	49,680	47,338
Loss on impairment	1,693	—
Amortization of goodwill	18,256	24,020
Interest and dividend income	(4,880)	(3,025)
Equity in losses (earnings) of affiliates	(5,701)	128
Interest expense	10,775	10,429
Foreign currency translation loss (gain)	(138)	(10)
Gain on sale of property, plant and equipment and intangible assets	(13,646)	(3,587)
Loss on disposal and sale of property, plant and equipment and intangible assets	1,186	2,482
Gain on sale of investment securities	(1,619)	(2,698)
Loss on devaluation of investment securities	3,515	4
Gain on sale of shares of subsidiaries and affiliates	(6,604)	(269)
Loss on sale of shares of subsidiaries and affiliates	1,957	64
Decrease (increase) in notes and accounts receivable, trade	68,626	20,504
Decrease (increase) in inventories	(9,632)	(11,099)
Increase (decrease) in notes and accounts payable, trade	(15,521)	(807)
Increase (decrease) in liquor taxes payable	(33,149)	(4,470)
Increase (decrease) in consumption taxes payable	(2,142)	(4,671)
Increase (decrease) in deposits received	(5,350)	(10,222)
Other	4,277	(21,495)
Sub-total	121,754	92,685
Interest and dividends received	10,642	9,187
Interest paid	(11,100)	(8,891)
Income taxes paid	(28,872)	(16,176)
Net cash provided by operating activities	92,424	76,803
Cash flows from investing activities		
Payment for purchases of property, plant and equipment and intangible assets	(42,126)	(45,832)
Proceeds from sale of property, plant and equipment and intangible assets	17,480	22,932
Payment for purchases of marketable securities and investment securities	(4,341)	(4,606)
Proceeds from sale and redemption of marketable securities and investment securities	11,303	7,417
Payment for purchases of shares of subsidiaries	(886)	(982)
Payment for acquisition of shares of newly consolidated subsidiaries	(41,157)	(111)
Proceeds from sale of shares of subsidiaries excluded from the scope of consolidation	55,127	—
Other	(7,135)	(981)
Net cash used in investing activities	(11,735)	(22,164)

(¥ millions)

	Six months ended June 30, 2011	Six months ended June 30, 2012
Cash flows from financing activities		
Increase (decrease) in short-term loans payable	(41,820)	(10,863)
Increase (decrease) in commercial paper	(999)	(22,994)
Proceeds from long-term debt	69,558	41,846
Repayment of long-term debt	(77,040)	(46,425)
Payment for redemption of bonds	(4,955)	(4,955)
Payment for acquisition of treasury stock	(331)	(61)
Proceeds from sale of treasury stock	122	44
Payment for acquisition of treasury stock by a consolidated subsidiary	(27)	(7,482)
Cash dividends paid	(12,025)	(12,983)
Cash dividends paid to minority shareholders	(3,111)	(2,954)
Other	(370)	(980)
Net cash used in financing activities	(71,000)	(67,810)
Effect of exchange rate changes on cash and cash equivalents	1,026	1,401
Net increase (decrease) in cash and cash equivalents	10,714	(11,769)
Cash and cash equivalents at beginning of year	45,278	70,847
Net increase (decrease) in cash and cash equivalents from new consolidation / de-consolidation of subsidiaries	—	175
Cash and cash equivalents at end of period	55,992	59,253

(4) GOING CONCERN ASSUMPTION

There are no matters to report under this item.

(5) SEGMENT INFORMATION

I Six months ended June 30, 2011

1. Information regarding sales and income or loss by reportable segment

(¥ millions)

(+ millions)

Six months ended June 30, 2011							
	Reportable Segment					Adjustment (Note 2)	Amount recorded in the quarterly consolidated statements of income (Note 3)
	Domestic Beverages		Overseas Beverages	Pharmaceuticals and Bio-chemicals	Others (Note 1)		
	Domestic Alcohol Beverages	Domestic Non-alcohol Beverages					
Sales							
Unaffiliated customers	392,308	145,747	232,513	181,187	49,688	–	1,001,445
Inter-segment	17,013	1,808	421	5,180	14,752	(39,175)	–
Total sales	409,322	147,555	232,934	186,367	64,440	(39,175)	1,001,445
Segment income (loss)	28,897	(1,081)	11,451	31,328	3,188	(973)	72,812

Notes

1. "Others" includes food business, such as seasonings, and others.
2. The negative ¥973 million adjustment in segment income (loss) includes ¥9,060 million in inter-segment eliminations and negative ¥10,033 million in corporate expenses not attributable to any reportable segment. The corporate expenses are mainly group administrative expenses due to the Company's transfer to a pure holding company and research and development expenses for basic technologies.
3. Segment income (loss) is reconciled to operating income described in the quarterly consolidated statements of income.

2. Information of reportable segment regarding loss on impairment of property, plant and equipment and intangible assets or goodwill and others

There is no significant recognition or change during the period.

II Six months ended June 30, 2012

1. Information regarding sales and income or loss by reportable segment

(¥ millions)

Six months ended June 30, 2012							(P. 11)
	Reportable Segment					Adjustment (Note 2)	Amount recorded in the quarterly consolidated statements of income (Note 3)
	Domestic Beverages		Overseas Beverages	Pharmaceuticals and Bio-chemicals	Others (Note 1)		
	Domestic Alcohol Beverages	Domestic Non-alcohol Beverages					
Sales							
Unaffiliated customers	388,659	151,232	293,728	161,570	46,461	—	1,041,652
Inter-segment	17,793	857	662	4,719	11,886	(35,920)	—
Total sales	406,452	152,090	294,390	166,290	58,348	(35,920)	1,041,652
Segment income (loss)	21,418	(2,537)	11,709	26,879	1,778	(2,047)	57,201

Notes

1. "Others" includes food business, such as seasonings, and others.
2. The negative ¥2,047 million adjustment in segment income (loss) includes ¥8,856 million in inter-segment eliminations and negative ¥10,904 million in corporate expenses not attributable to any reportable segment. The corporate expenses are mainly group administrative expenses due to the Company's transfer to a pure holding company and research and development expenses for basic technologies.
3. Segment income (loss) is reconciled to operating income described in the quarterly consolidated statements of income.

2. Information of reportable segment regarding loss on impairment of property, plant and equipment and intangible assets or goodwill and others

There is no significant recognition or change during the period.

(6) NOTES ON SIGNIFICANT CHANGES IN SHAREHOLDERS' EQUITY

There are no matters to report under this item.

Supplementary Documents to the Financial Statements for the Six Months Ended June 30, 2012

1. Summary of Consolidated Statements of Income, Indices, etc.
2. Sales Details
3. Profit Details
4. Summary of Consolidated Balance Sheets
5. Summary of Consolidated Statements of Cash Flows
6. Other Information

KIRIN HOLDINGS COMPANY, LIMITED

August 3, 2012

1. Summary of Consolidated Statements of Income, Indices, etc.

(1) Summary of Statements of Income, Indices, etc.

(¥ billions)

	Six months ended June 30, 2012, Actual	Six months ended June 30, 2011, Actual	Increase (decrease)	
Sales	1,041.6	1,001.4	40.2	4.0%
Gross profit	431.9	409.3	22.5	5.5%
Selling, general and administrative expenses	374.7	336.5	38.1	11.3%
Operating income	57.2	72.8	(15.6)	(21.4%)
Non-operating income	8.0	12.4	(4.4)	(35.6%)
Non-operating expenses	15.7	12.7	3.0	23.9%
Ordinary income	49.4	72.5	(23.0)	(31.8%)
Special income	7.1	25.8	(18.6)	(72.1%)
Special expenses	6.5	38.1	(31.6)	(82.7%)
Income before income taxes and minority interests	50.0	60.1	(10.1)	(16.8%)
Income taxes	28.8	32.7	(3.9)	(12.0%)
Minority interests	8.1	9.4	(1.3)	(14.2%)
Net income	13.1	17.9	(4.8)	(26.9%)
EBITDA *	129.0	134.0	(5.0)	(3.8%)

* EBITDA = Operating income + equity in earnings or losses of affiliates + depreciation + amortization of goodwill + special income and expenses

		Six months ended June 30, 2012, Actual	Six months ended June 30, 2011, Actual	Increase (decrease)	
Sales	Excluding liquor tax	¥895.6 billion	¥857.1 billion	¥38.4 billion	4.5%
Operating income	Prior to amortization of goodwill etc.	¥83.1 billion	¥95.7 billion	(¥12.5 billion)	(13.1%)
Operating income ratio	Excluding liquor tax, prior to amortization of goodwill etc.	9.3%	11.2%		
	Excluding liquor tax, after amortization of goodwill etc.	6.4%	8.5%		
Overseas ratio	Sales excluding liquor tax	38%	32%		
D/E ratio		1.11	0.74		

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

(¥)

	Six months ended June 30, 2012, Actual	Six months ended June 30, 2011, Actual
Lion (AUD)	82.38	82.31
Schincariol (BRL)	42.91	*1 —
San Miguel Brewery (PHP)	1.84	1.90
Fraser and Neave (SGD)	62.23	64.57

	Six months ended June 30, 2012, Actual	Six months ended June 30, 2011, Actual
Lion	From October 2011 to March 2012	From October 2010 to March 2011
San Miguel Brewery		
Fraser and Neave		From January 2011 to March 2011 *2

*1 Included from the first quarter ended March 31, 2012.

*2 Included from the second quarter ended June 30, 2011.

2. Sales Details

(¥ billions)

	Six months ended June 30, 2012, Actual	Six months ended June 30, 2011, Actual	Increase (decrease)	
Sales	1,041.6	1,001.4	40.2	4.0%
Domestic Alcohol Beverages	388.6	392.3	(3.6)	(0.9%)
Kirin Brewery *	344.8	347.0	(2.2)	(0.6%)
Mercian	32.3	35.7	(3.4)	(9.6%)
Other and elimination	11.5	9.5	2.0	21.2%
Domestic Non-alcohol Beverages	151.2	145.7	5.4	3.8%
Kirin Beverage	152.0	147.5	4.5	3.1%
Other and elimination	(0.8)	(1.8)	0.9	—
Overseas Beverages	293.7	232.5	61.2	26.3%
Lion	207.1	215.9	(8.7)	(4.1%)
Schincariol	69.8	—	69.8	—
Other and elimination	16.7	16.6	0.1	1.0%
Pharmaceuticals and Bio-chemicals	161.5	181.1	(19.6)	(10.8%)
Kyowa Hakko Kirin	166.2	186.3	(20.0)	(10.8%)
Pharmaceutical	122.7	112.4	10.3	9.2%
Bio-chemical	39.3	38.0	1.2	3.3%
Chemical, etc.	4.2	35.8	(31.6)	(88.3%)
Other and elimination	(4.7)	(5.1)	0.4	—
Other	46.4	49.6	(3.2)	(6.5%)

* The figures are combined value of Kirin Brewery and Kirin Beer Marketing.

(Reference) Sales excluding liquor tax

(¥ billions)

	Six months ended June 30, 2012, Actual	Six months ended June 30, 2011, Actual
Kirin Brewery	205.1	206.0

3. Profit Details

(1) Operating Income

(¥ billions)

	Six months ended June 30, 2012, Actual	Six months ended June 30, 2011, Actual	Increase (decrease)
Operating income	57.2	72.8	(15.6)
Domestic Alcohol Beverages	21.4	28.8	(7.4)
Kirin Brewery	24.8	32.6	(7.8)
Management fee, etc.	(5.5)	(5.5)	0.0
Total	19.3	27.1	(7.8)
Mercian	0.7	1.0	(0.2)
Management fee, etc.	(0.2)	(0.2)	0.0
Total	0.5	0.7	(0.2)
Others	1.5	1.0	0.5
Domestic Non-alcohol Beverages	(2.5)	(1.0)	(1.4)
Kirin Beverage	0.2	1.8	(1.5)
Management fee, etc.	(1.8)	(1.7)	(0.0)
Amortization of goodwill	(0.9)	(0.9)	—
Total	(2.5)	(0.8)	(1.6)
Others	0.0	(0.1)	0.2
Overseas Beverages	11.7	11.4	0.2
Lion (consolidated after reclassification)	27.2	27.9	(0.7)
Amortization of goodwill	(12.7)	(12.6)	(0.0)
Brand amortization	(1.9)	(4.6)	2.6
Total	12.5	10.6	1.9
Schincariol	3.0	—	3.0
Amortization of goodwill	(4.8)	—	(4.8)
Total	(1.7)	—	(1.7)
Others	0.9	0.8	0.0
Pharmaceuticals and Bio-chemicals	26.8	31.3	(4.4)
Kyowa Hakko Kirin (consolidated after reclassification)	26.8	31.3	(4.4)
Pharmaceutical	23.3	25.1	(1.7)
Bio-chemical	2.0	2.5	(0.4)
Chemical, etc.	(0.0)	2.1	(2.2)
Elimination of amortization of goodwill	4.6	4.6	(0.0)
Amortization of goodwill	(3.1)	(3.1)	0.0
Other	1.7	3.1	(1.4)
Corporate expenses/inter-segment eliminations	(2.0)	(0.9)	(1.0)

Management fee, etc.: Group management fee and Kirin brand royalty paid to Kirin Holdings

Operating income breakdown

(¥ billions)

Company name	Major factors	Increase (decrease)	Description
Kirin Brewery	Decrease in marginal profit of alcohol beverages	(0.9)	Sales decrease in beer (1) thousand KL, (0.1) Sales decrease in <i>happo-shu</i> (20) thousand KL, (2.1) Sales increase in new genre 10 thousand KL, 1.0 Sales increase in RTD 14 thousand KL, 1.2 Difference of change in products mix, etc.
	Decrease in raw material cost of alcohol beverages	0.2	Decrease in price of malt 0.3, etc.
	Increase in selling expenses	(8.5)	Increase in sales promotion and advertising, etc. (9.6) (Beer, <i>happo-shu</i> and new genre (6.2), RTD (2.3), etc.)
	Decrease in other expenses	1.4	Decrease in labor cost 0.6, Decrease in depreciation 1.0, Decrease in information processing fee 1.0, Transfer amount of loss related to the Great East Japan Earthquake in the last fiscal year (1.5), etc.
Total		(7.8)	
Kirin Beverage	Difference in volume of sales	6.4	Increase in sales volume 5.89 million cases
	Cost increase	(0.8)	Increase in raw material cost (1.1), Decrease in raw material cost 0.3
	Decrease due in change of composition ratio of containers, etc.	(0.8)	
	Increase in selling expenses	(7.6)	Increase in sales promotion and advertising (6.9), Increase in freight (0.7)
	Decrease in other expenses	1.2	Decrease in depreciation 0.3, Decrease in miscellaneous expenses 0.2, Decrease in sales equipment cost 0.1, etc.
Total		(1.6)	

Major operating expenses

(¥ billions)

		Six months ended June 30, 2012, Actual	Six months ended June 30, 2011, Actual
Sales promotion		76.9	65.7
Advertising		45.5	29.2
Kirin Brewery	Sales promotion	23.1	18.1
	Advertising	17.0	12.3
Kirin Beverage	Sales promotion	46.4	41.3
	Advertising	5.1	3.4
Research and development		26.9	27.1
Kyowa Hakko Kirin (excluding internal transaction)		21.8	21.9

(2) Ordinary Income and Net Income

(¥ billions)

	Six months ended June 30, 2012, Actual	Six months ended June 30, 2011, Actual	Increase (decrease)	Description of changes
Non-operating income and expenses	(7.7)	(0.2)	(7.4)	Equity in earnings or losses of local affiliates 2.5, etc. Equity in earnings or losses of local affiliates 0.4 Amortization of goodwill (0.3) Kirin-Amgen, Inc. (4.6), etc.
Financial profit or loss, net	(7.4)	(5.8)	(1.5)	
Equity in earnings or losses of affiliates	(0.1)	5.7	(5.8)	
San Miguel Brewery	2.1	(0.4)	2.5	
Fraser and Neave	1.0	1.0	0.0	
Others	(3.3)	5.1	(8.4)	
Other	(0.1)	(0.0)	(0.1)	
Ordinary income	49.4	72.5	(23.0)	
Special income and expenses	0.5	(12.3)	12.9	
Special income	7.1	25.8	(18.6)	
Gain on sale of property, plant and equipment and intangible assets	3.5	13.6	(10.0)	
Gain on sale of investment securities	2.6	1.6	1.0	
Gain on sale of shares of subsidiaries and affiliates	0.2	6.6	(6.3)	
Other	0.6	3.9	(3.3)	
Special expenses	(6.5)	(38.1)	31.6	
Loss on disposal of property, plant and equipment and intangible assets	(2.6)	(0.9)	(1.7)	
Loss on sale of property, plant and equipment and intangible assets	(0.2)	(0.5)	0.2	
Loss on impairment	—	(1.6)	1.6	
Loss on devaluation of investment securities	(0.0)	(3.5)	3.5	
Loss on sale of investment securities	(0.3)	—	(0.3)	
Loss on sale of shares of subsidiaries and affiliates	(0.0)	(1.9)	1.8	
Business restructuring expense	(1.9)	(2.2)	0.2	
Loss related to the Great East Japan Earthquake	—	(16.9)	16.9	
Other	(1.2)	(10.3)	9.0	
Income taxes	(28.8)	(32.7)	3.9	
Minority interests	(8.1)	(9.4)	1.3	
Net income	13.1	17.9	(4.8)	

4. Summary of Consolidated Balance Sheets

(¥ billions)

	As of June 30, 2012	As of December 31, 2011	Increase (decrease)	Description of changes
Current Assets	746.3	758.0	(11.7)	
Cash	64.8	76.2	(11.3)	
Notes and accounts receivable, trade	389.4	406.4	(16.9)	Decrease in sales due to seasonal variations, etc.
Inventories	210.9	192.9	17.9	Increase due to the influences of seasonal variations and exchange rate fluctuations in evaluation of overseas subsidiaries, etc.
Other	81.0	82.4	(1.3)	
Non-current Assets	2,111.1	2,096.1	14.9	
Property, Plant and Equipment	754.8	763.8	(8.9)	
Intangible Assets	840.2	816.2	23.9	
Goodwill	730.0	713.7	16.2	Increase due to the influence of exchange rate fluctuations in evaluation of overseas subsidiaries, etc.
Other	110.1	102.5	7.6	
Investments and Other Assets	516.0	516.0	(0.0)	
TOTAL ASSETS	2,857.5	2,854.2	3.2	
Current Liabilities	728.4	715.4	13.0	
Notes and accounts payable, trade	148.8	146.9	1.9	
Interest-bearing debt	268.1	230.6	37.5	Increase due to replacement of long-term bonds with short-term ones, etc. Decrease due to redemption of commercial papers and repayment of loans payable, etc.
Other	311.4	337.8	(26.3)	Decrease in liquor taxes payable due to seasonal variations, etc.
Non-current Liabilities	1,008.4	1,090.9	(82.4)	
Interest-bearing debt	760.8	834.4	(73.6)	Decrease due to replacement of long-term bonds with short-term ones, etc.
Other	247.6	256.4	(8.8)	
TOTAL LIABILITIES	1,736.9	1,806.3	(69.3)	
Shareholders' Equity	982.5	982.0	0.5	
Accumulated Other Comprehensive Income	(56.3)	(129.1)	72.7	Increase in foreign currency translation adjustments due to yen's depreciation against AUD, etc.
Subscription rights to shares	0.1	0.2	(0.0)	
Minority interests	194.1	194.7	(0.5)	
TOTAL NET ASSETS	1,120.5	1,047.8	72.6	
TOTAL LIABILITIES AND NET ASSETS	2,857.5	2,854.2	3.2	

5. Summary of Consolidated Statements of Cash Flows

(1) Summary of Statements of Cash Flows

(¥ billions)

	Six months ended June 30, 2012, Actual	Six months ended June 30, 2011, Actual	Increase (decrease)
Cash flows from operating activities	76.8	92.4	(15.6)
Income before income taxes and minority interests	50.0	60.1	(10.1)
Depreciation and amortization	47.3	49.6	(2.3)
Amortization of goodwill	24.0	18.2	5.7
Other	(44.6)	(35.6)	(8.9)
Cash flows from investing activities	(22.1)	(11.7)	(10.4)
Capital expenditures	(45.8)	(42.1)	(3.7)
Other	23.6	30.3	(6.7)
Cash flows from financing activities	(67.8)	(71.0)	3.1
Increase (decrease) in interest-bearing debt	(43.3)	(55.2)	11.8
Cash dividends paid	(15.9)	(15.1)	(0.8)
Other	(8.4)	(0.6)	(7.8)
Translation adjustments	1.4	1.0	0.3
Net increase (decrease) in cash and cash equivalents	(11.7)	10.7	(22.4)

(2) Information by Segment

Six months ended June 30, 2012, Actual

(¥ billions)

	Domestic Alcohol Beverages	Domestic Non-alcohol Beverages	Overseas Beverages	Pharmaceuticals and Bio-chemicals	Other	Adjustment	Total
Depreciation and amortization (including brand amortization)	13.9	5.0	14.3	9.6	3.8	0.5	47.3
Amortization of goodwill	0.0	1.2	17.7	4.6	0.3	—	24.0
Capital expenditures	9.4	3.2	14.7	14.4	4.6	(0.6)	45.8
EBITDA *	35.1	3.6	43.7	37.1	7.1	2.1	129.0

Six months ended June 30, 2011, Actual

(¥ billions)

	Domestic Alcohol Beverages	Domestic Non-alcohol Beverages	Overseas Beverages	Pharmaceuticals and Bio-chemicals	Other	Adjustment	Total
Depreciation and amortization (including brand amortization)	15.4	5.8	13.1	10.4	4.1	0.6	49.6
Amortization of goodwill	0.1	1.3	12.9	3.4	0.3	—	18.2
Capital expenditures	17.9	4.1	9.1	8.6	2.0	0.1	42.1
EBITDA *	28.1	4.8	35.7	47.5	8.3	9.3	134.0

* EBITDA = Operating income + equity in earnings or losses of affiliates + depreciation + amortization of goodwill + special income and expenses

6. Other Information

(1) Profit or Loss of Major Publicly-Listed Consolidated Companies (Consolidated after Reclassification)

Six months ended June 30, 2012, Actual

<Consolidated subsidiaries>

	(¥ billions)				
	Sales	Operating income	Ordinary income	Net income	Consolidated net income
Kyowa Hakko Kirin	166.2	25.3	23.3	11.4	5.9
Elimination of amortization of goodwill		4.6	4.6	4.6	2.4
Amortization of goodwill		(3.1)	(3.1)	(3.1)	(3.1)
Total included in consolidation	166.2	26.8	24.8	12.9	5.2

<Equity-method affiliates>

	(¥ billions)				
	Sales	Operating income	Ordinary income	Net income	Consolidated net income
San Miguel Brewery	70.2	20.4	17.7	12.2	5.9
Equity in earnings or losses of local affiliates			5.9	5.9	5.9
Brand amortization			(0.7)	(0.7)	(0.7)
Amortization of goodwill			(2.9)	(2.9)	(2.9)
Total included in consolidation			2.1	2.1	2.1
Fraser and Neave	161.0	25.8	24.4	12.5	1.8
Equity in earnings or losses of local affiliates			1.8	1.8	1.8
Amortization of goodwill			(0.8)	(0.8)	(0.8)
Total included in consolidation			1.0	1.0	1.0

(2) Sales Details of Major Business Companies

a. Kirin Brewery

	Six months ended June 30, 2012		Six months ended June 30, 2011	
	Actual	Increase (decrease)	Actual	Increase (decrease)
Sales volume	Thousand KL		Thousand KL	
Beer	308	(0.3%)	309	(6.1%)
<i>Happo-shu</i>	261	(7.1%)	281	(9.5%)
New genre	332	2.9%	322	(0.5%)
Sub-total	902	(1.3%)	913	(5.3%)
RTD	96	16.3%	82	(13.2%)
Non-alcohol beverages	20	(15.3%)	24	(28.7%)
Breakdown of sales	¥ billions		¥ billions	
Beer	127.8	(0.1%)	127.9	(6.1%)
<i>Happo-shu</i>	79.6	(7.1%)	85.7	(9.5%)
New genre	87.0	2.7%	84.7	(0.5%)
Sub-total	294.5	(1.3%)	298.4	(5.6%)
RTD	26.3	15.6%	22.8	(12.6%)
<i>Shochu</i> , Whiskey and Spirits, etc. *	23.9	(7.1%)	25.7	(14.8%)
Total sales	344.8	(0.6%)	347.0	(6.8%)

The above sales volume excludes exports.

* This item includes sales of soft drink beverages to Group companies.

b. Kirin Beverage Group

<Category>

Non-alcohol beverages			Six months ended June 30, 2012				Six months ended June 30, 2011			
			Actual	Composition ratio	Increase (decrease)	Percentage over the previous year	Actual	Composition ratio	Increase (decrease)	Percentage over the previous year
			10,000 cases		10,000 cases		10,000 cases		10,000 cases	
Category	Tea drink	Japanese tea	906	11%	(15)	98%	921	12%	(129)	88%
		Oolong tea	132	2%	4	103%	128	2%	(11)	92%
		Black tea	2,076	24%	(172)	92%	2,248	28%	243	112%
		Sub-total	3,114	37%	(183)	94%	3,297	42%	103	103%
	Coffee		1,488	17%	(91)	94%	1,579	20%	(67)	96%
	Fruit and vegetable juice		1,027	12%	240	130%	787	10%	(151)	84%
	Carbonated beverage		658	8%	362	222%	296	4%	(127)	70%
	Water		1,602	19%	109	107%	1,493	19%	197	115%
	Other		602	7%	152	134%	450	5%	(147)	75%
Domestic non-alcohol beverage market total			8,491	100%	589	107%	7,902	100%	(192)	98%

<Container Type>

Non-alcohol beverages			Six months ended June 30, 2012				Six months ended June 30, 2011			
			Actual	Composition ratio	Increase (decrease)	Percentage over the previous year	Actual	Composition ratio	Increase (decrease)	Percentage over the previous year
Container type	Category	Details	10,000 cases		10,000 cases		10,000 cases		10,000 cases	
Cans	Can	Including bottle styled cans	1,947	23%	(155)	93%	2,102	27%	(92)	96%
PET bottles	Large-sized PET bottles	2L	1,804	21%	316	121%	1,488	19%	179	114%
		1.5L, 1L, 900ml, 750ml	677	8%	19	103%	658	8%	(15)	98%
		Large-sized PET bottles total	2,481	29%	335	116%	2,146	27%	164	108%
	Small-sized PET bottles	500ml	2,462	29%	376	118%	2,086	27%	(188)	92%
		350ml or less	688	8%	(43)	94%	731	9%	88	114%
		Small-sized PET bottles total	3,150	37%	333	112%	2,817	36%	(100)	97%
	PET bottles total		5,631	66%	668	113%	4,963	63%	64	101%
Other containers	One-way/Returnable bottles, paper, gifts, etc.		913	11%	76	109%	837	10%	(164)	84%
Domestic non-alcohol beverage market total			8,491	100%	589	107%	7,902	100%	(192)	98%

c. Kyowa Hakko Kirin

Sales		Six months ended June 30, 2012		Six months ended June 30, 2011	
		Actual	Percentage over the previous year	Actual	Percentage over the previous year
Area	Major product name	¥ billions		¥ billions	
Nephrology	NESP [®]	26.8	105%	25.4	144%
	ESPO [®]	1.9	71%	2.7	48%
	[NESP [®] / ESPO [®]]	[28.8]	[102%]	[28.2]	[120%]
	REGPARA [®]	6.2	117%	5.3	124%
Immunology / allergology	Allelock [®]	16.1	89%	18.1	130%
	Patanol [®]	6.9	80%	8.6	183%
Oncology	GRAN [®]	6.4	95%	6.7	93%
Cardiovascular system	Coniel [®]	8.5	89%	9.6	93%

<p style="text-align: center;">Supplementary Documents to the Forecast Consolidated Business Results for the Fiscal Year Ending December 31, 2012</p>
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1. Summary of Consolidated Statements of Income, Indices, etc.
2. Sales Details
3. Profit Details
4. Summary of Consolidated Statements of Cash Flows
5. Other Information

KIRIN HOLDINGS COMPANY, LIMITED

August 3, 2012

1. Summary of Consolidated Statements of Income, Indices, etc.

(1) Summary of Statements of Income, Indices, etc.

(¥ billions)

	Fiscal year ending December 31, 2012, Forecast	Fiscal year ended December 31, 2011, Actual	Increase (decrease)	
Sales	2,220.0	2,071.7	148.2	7.2%
Operating income	155.0	142.8	12.1	8.5%
Non-operating income and expenses	(21.0)	(6.0)	(14.9)	—
Ordinary income	134.0	136.8	(2.8)	(2.1%)
Special income and expenses	(2.0)	(51.8)	49.8	—
Income before income taxes and minority interests	132.0	84.9	47.0	55.4%
Income taxes	67.1	61.6	5.4	8.9%
Minority interests	16.8	15.8	1.0	6.3%
Net income	48.0	7.4	40.5	548.0%
EBITDA *	303.0	247.6	55.3	22.4%

* EBITDA = Operating income + equity in earnings or losses of affiliates + depreciation + amortization of goodwill + special income and expenses
(Excluding loss on impairment regarding goodwill, etc.)

		Fiscal year ending December 31, 2012, Forecast	Fiscal year ended December 31, 2011, Actual	Increase (decrease)	
Sales	Excluding liquor tax	¥1,896.0 billion	¥1,748.3 billion	¥147.6 billion	8.4%
Operating income	Prior to amortization of goodwill etc.	¥206.7 billion	¥189.8 billion	¥16.9 billion	8.9%
Operating income ratio	Excluding liquor tax, prior to amortization of goodwill etc.	10.9%	10.9%		
	Excluding liquor tax, after amortization of goodwill etc.	8.2%	8.2%		
ROE	Prior to amortization of goodwill etc.*	11.6%	6.9%		
	After amortization of goodwill etc.	5.4%	0.8%		
EPS	Prior to amortization of goodwill etc.*	¥115	¥71		
	After amortization of goodwill etc.	¥50	¥8		
Overseas ratio	Sales excluding liquor tax	36%	31%		
D/E ratio		1.06	1.25		
Turnover of total assets	Sales excluding liquor tax	0.66	0.64		

* Includes goodwill etc. related to equity-method affiliates.

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

(¥)

	Fiscal year ending December 31, 2012, Forecast	Fiscal year ended December 31, 2011, Actual
Lion (AUD)	82.00	83.30
Schincariol (BRL)	43.00	*1 —
San Miguel Brewery (PHP)	1.80	1.88
Fraser and Neave (SGD)	64.00	64.31

	Fiscal year ending December 31, 2012, Forecast	Fiscal year ended December 31, 2011, Actual
Lion	From October 2011 to September 2012	From October 2010 to September 2011
San Miguel Brewery		
Fraser and Neave		From January 2011 to September 2011 *2

*1 Included from the first quarter ended March 31, 2012.

*2 Included from the second quarter ended June 30, 2011.

2. Sales Details

(¥ billions)

	Fiscal year ending December 31, 2012, Forecast	Fiscal year ended December 31, 2011, Actual	Increase (decrease)	
Sales	2,220.0	2,071.7	148.2	7.2%
Domestic Alcohol Beverages	868.0	868.2	(0.2)	(0.0%)
Kirin Brewery *	767.7	775.2	(7.5)	(1.0%)
Mercian	69.5	71.8	(2.3)	(3.3%)
Other and elimination	30.7	21.0	9.6	45.8%
Domestic Non-alcohol Beverages	336.0	314.5	21.4	6.8%
Kirin Beverage	337.2	317.0	20.1	6.3%
Other and elimination	(1.2)	(2.5)	1.3	—
Overseas Beverages	593.0	454.2	138.7	30.6%
Lion	405.6	421.3	(15.6)	(3.7%)
Schincariol	150.5	—	150.5	—
Other and elimination	36.8	32.9	3.8	11.8%
Pharmaceuticals and Bio-chemicals	324.0	332.8	(8.8)	(2.7%)
Kyowa Hakko Kirin	333.0	343.7	(10.7)	(3.1%)
Pharmaceutical	248.0	229.1	18.8	8.2%
Bio-chemical	79.0	74.3	4.6	6.2%
Chemical, etc.	6.0	40.1	(34.1)	(85.1%)
Other and elimination	(9.0)	(10.8)	1.8	—
Other	99.0	101.9	(2.9)	(2.9%)

* The figures are combined value of Kirin Brewery and Kirin Beer Marketing.

(Reference) Sales excluding liquor tax

(¥ billions)

	Fiscal year ending December 31, 2012, Forecast	Fiscal year ended December 31, 2011, Actual
Kirin Brewery	452.4	459.1

3. Profit Details

(1) Operating Income

(¥ billions)

	Fiscal year ending December 31, 2012, Forecast	Fiscal year ended December 31, 2011, Actual	Increase (decrease)
Operating income	155.0	142.8	12.1
Domestic Alcohol Beverages	65.0	70.5	(5.5)
Kirin Brewery	72.2	79.0	(6.7)
Management fee, etc.	(12.2)	(12.3)	0.1
Total	60.0	66.6	(6.6)
Mercian	1.9	1.7	0.2
Management fee, etc.	(0.5)	(0.5)	(0.0)
Total	1.4	1.2	0.1
Others	3.6	2.6	0.9
Domestic Non-alcohol Beverages	4.0	2.8	1.1
Kirin Beverage	10.0	8.4	1.5
Management fee, etc.	(4.2)	(3.8)	(0.3)
Amortization of goodwill	(1.9)	(1.9)	(0.0)
Total	3.8	2.6	1.1
Others	0.1	0.1	0.0
Overseas Beverages	27.5	15.3	12.1
Lion (consolidated after reclassification)	49.1	49.1	(0.0)
Amortization of goodwill	(25.3)	(25.7)	0.4
Brand amortization	(4.0)	(9.4)	5.4
Total	19.7	13.9	5.7
Schincariol	15.2	—	15.2
Amortization of goodwill	(9.6)	—	(9.6)
Total	5.5	—	5.5
Others	2.1	1.3	0.7
Pharmaceuticals and Bio-chemicals	55.0	49.4	5.5
Kyowa Hakko Kirin (consolidated after reclassification)	55.0	49.4	5.5
Pharmaceutical	48.7	41.3	7.3
Bio-chemical	3.0	2.8	0.1
Chemical, etc.	0.2	2.1	(1.9)
Elimination of amortization of goodwill	9.2	9.2	(0.0)
Amortization of goodwill	(6.2)	(6.2)	0.0
Other	6.5	6.2	0.2
Corporate expenses/inter-segment eliminations	(3.0)	(1.6)	(1.3)

Management fee, etc.: Group management fee and Kirin brand royalty paid to Kirin Holdings

Operating income breakdown

(¥ billions)

Company name	Major factors	Increase (decrease)	Description
Kirin Brewery	Decrease in marginal profit of alcohol beverages	(1.9)	Sales decrease in beer (9) thousand KL, (1.2) Sales decrease in <i>happo-shu</i> (35) thousand KL, (3.8) Sales increase in new genre 26 thousand KL, 2.9 Sales increase in RTD 26 thousand KL, 2.4 Difference of change in products mix, etc.
	Decrease in raw material cost of alcohol beverages	0.8	Decrease in price for packing materials, etc.
	Increase in selling expenses	(2.1)	Increase in sales promotion and advertising (3.6), Decrease in freight 1.5
	Increase in other expenses	(3.4)	Decrease in labor cost 0.9, Decrease in depreciation 1.8, Decrease in information processing fee 1.2, Increase in research and development expenses (0.3), Increase in public relations expenses (0.6), Increase in electricity and fuel cost (1.3), Transfer amount of loss related to the Great East Japan Earthquake in the last fiscal year (3.3), etc.
Total		(6.6)	
Kirin Beverage	Difference in volume of sales	15.1	Increase in sales volume 14.11 million cases
	Cost decrease	0.3	Decrease in raw material cost 2.0, Increase in raw material cost (1.7)
	Decrease due in change of composition ratio of containers, etc.	(1.0)	
	Increase in selling expenses	(14.1)	Increase in sales promotion and advertising (12.9), Increase in freight (1.3)
	Decrease in other expenses	0.8	Decrease in depreciation 0.6, etc.
Total		1.1	

Major operating expenses

(¥ billions)

		Fiscal year ending December 31, 2012, Forecast	Fiscal year ended December 31, 2011, Actual
Sales promotion		250.0	151.1
Advertising			59.0
Kirin Brewery	Sales promotion	78.5	45.8
	Advertising		29.1
Kirin Beverage	Sales promotion	110.5	91.1
	Advertising		6.9
Research and development		56.0	58.2
Kyowa Hakko Kirin (excluding internal transaction)		44.1	47.4

(2) Ordinary Income and Net Income

(¥ billions)

	Fiscal year ending December 31, 2012, Forecast	Fiscal year ended December 31, 2011, Actual	Increase (decrease)	Description of changes
Non-operating income and expenses	(21.0)	(6.0)	(14.9)	Equity in earnings or losses of local affiliates 2.2, etc. Equity in earnings or losses of local affiliates 0.5, Amortization of goodwill (0.4)
Financial profit or loss, net	(14.7)	(12.2)	(2.4)	
Equity in earnings or losses of affiliates	(0.7)	10.5	(11.3)	
San Miguel Brewery	* 3.0	0.7	2.3	
Fraser and Neave	* 3.8	3.6	0.1	
Others	(7.6)	6.0	(13.7)	
Other	(5.4)	(4.3)	(1.1)	
Ordinary income	134.0	136.8	(2.8)	
Special income and expenses	(2.0)	(51.8)	49.8	
Income taxes	(67.1)	(61.6)	(5.4)	
Minority interests	(16.8)	(15.8)	(1.0)	
Net income	48.0	7.4	40.5	

*Since forecasts of business results are undisclosed, figures are based on actual results which have been disclosed.

4. Summary of Consolidated Statements of Cash Flows

(1) Summary of Statements of Cash Flows

(¥ billions)

	Fiscal year ending December 31, 2012, Forecast	Fiscal year ended December 31, 2011, Actual	Increase (decrease)
Cash flows from operating activities	227.0	196.7	30.2
Income before income taxes and minority interests	132.0	84.9	47.0
Depreciation and amortization	103.0	103.8	(0.8)
Amortization of goodwill	47.7	38.8	8.8
Other	(55.7)	(30.8)	(24.8)
Cash flows from investing activities	(94.0)	(361.6)	267.6
Capital expenditures	(120.0)	(79.8)	(40.1)
Other	26.0	(281.8)	307.8
Cash flows from financing activities	(133.0)	193.2	(326.2)
Increase (decrease) in interest-bearing debt	(93.0)	238.5	(331.5)
Cash dividends paid	(31.2)	(31.0)	(0.1)
Other	(8.8)	(14.2)	5.4
Translation adjustments	—	(2.8)	2.8
Net increase (decrease) in cash and cash equivalents	—	25.5	(25.5)

(2) Information by Segment

Fiscal year ending December 31, 2012, Forecast

(¥ billions)

	Domestic Alcohol Beverages	Domestic Non-alcohol Beverages	Overseas Beverages	Pharmaceuticals and Bio-chemicals	Other	Adjustment	Total
Depreciation and amortization (including brand amortization)	29.8	11.8	30.6	21.3	8.0	1.2	103.0
Amortization of goodwill	0.1	2.4	35.4	9.0	0.6	—	47.7
Capital expenditures	23.6	9.8	45.0	31.2	7.1	3.1	120.0
EBITDA *	95.8	18.5	88.5	76.8	19.1	4.0	303.0

Fiscal year ended December 31, 2011, Actual

(¥ billions)

	Domestic Alcohol Beverages	Domestic Non-alcohol Beverages	Overseas Beverages	Pharmaceuticals and Bio-chemicals	Other	Adjustment	Total
Depreciation and amortization (including brand amortization)	31.9	12.4	26.9	22.8	8.4	1.1	103.8
Amortization of goodwill	0.2	2.6	27.0	7.7	1.3	—	38.8
Capital expenditures	27.4	7.7	21.1	17.3	4.6	1.4	79.8
EBITDA *	87.8	14.8	55.4	78.4	19.1	(8.0)	247.6

* EBITDA = Operating income + equity in earnings or losses of affiliates + depreciation + amortization of goodwill + special income and expenses
(Excluding loss on impairment regarding goodwill, etc.)

5. Other Information

(1) Profit or Loss of Major Publicly-Listed Consolidated Companies (Consolidated after Reclassification)

Fiscal year ending December 31, 2012, Forecast

<Consolidated subsidiaries>

	(¥ billions)				
	Sales	Operating income	Ordinary income	Net income	Consolidated net income
Kyowa Hakko Kirin	333.0	51.9	46.3	22.8	11.7
Elimination of amortization of goodwill		9.2	9.2	9.2	4.8
Amortization of goodwill		(6.2)	(6.2)	(6.2)	(6.2)
Total included in consolidation	333.0	55.0	49.3	25.8	10.3

<Equity-method affiliates>

	(¥ billions)				
	Sales	Operating income	Ordinary income	Net income	Consolidated net income
San Miguel Brewery*	130.9	37.2	32.0	21.9	10.6
Equity in earnings or losses of local affiliates			10.6	10.6	10.6
Brand amortization			(1.5)	(1.5)	(1.5)
Amortization of goodwill			(5.9)	(5.9)	(5.9)
Total included in consolidation			3.0	3.0	3.0
Fraser and Neave *	379.6	59.3	59.9	36.5	5.4
Equity in earnings or losses of local affiliates			5.4	5.4	5.4
Amortization of goodwill			(1.6)	(1.6)	(1.6)
Total included in consolidation			3.8	3.8	3.8

* Since the forecast of business results is undisclosed, figures are based on actual results from April 2011 to March 2012.

(2) Information Regarding Amortization of Major Goodwill etc.

Fiscal year ending December 31, 2012, Forecast

(¥ billions)

		Year incurred	Total amortization of goodwill etc. (A) + (B) *1						
			Goodwill			Brands			
			Amortized amount (A)	Balance to be amortized	Years remaining	Amortized amount (B) *2	Balance to be amortized	Years remaining	
Consolidated subsidiaries	Lion	1998 – 2009	25.3	355.9	14	4.0	42.9	2 – 19	29.3
	Kirin Beverage	2006	1.9	27.0	14	—	—	—	1.9
	Kyowa Hakko Kirin	2007	6.2	94.7	16	—	—	—	6.2
	Schincariol	2011	9.6	183.5	19	—	—	—	9.6
	Others		4.5	—	—	—	—	—	4.5
	Consolidated subsidiaries total		47.7			4.0			51.7
Equity Method	San Miguel Brewery	2009	5.9	98.7	17	1.5	25.3	17	7.5
	Fraser and Neave	2011	1.6	30.0	19	—	—	—	1.6
	China Resources Kirin Beverages	2011	1.7	33.8	19	—	—	—	1.7
	Equity-method affiliates total		9.4			1.5			10.9
Total			57.1			5.5			62.7

*1 “Amortization of goodwill etc.” in indices etc.

*2 Account title: Depreciation and amortization

(3) Sales Details of Major Business Companies

a. Kirin Brewery

	Fiscal year ending December 31, 2012		Fiscal year ended December 31, 2011	
	Forecast	Increase (decrease)	Actual	Increase (decrease)
Sales volume	Thousand KL		Thousand KL	
Beer	705	(1.3%)	714	(4.7%)
Happo-shu	560	(6.0%)	595	(9.9%)
New genre	745	3.6%	719	(2.8%)
Sub-total	2,010	(1.0%)	2,029	(5.7%)
RTD	220	13.0%	194	(3.0%)
Non-alcohol beverages	50	(9.8%)	55	(28.5%)
Breakdown of sales	¥ billions		¥ billions	
Beer	292.3	(1.3%)	296.3	(4.6%)
Happo-shu	170.8	(6.0%)	181.7	(9.9%)
New genre	195.3	3.4%	188.9	(2.8%)
Sub-total	658.5	(1.3%)	667.0	(5.6%)
RTD	60.4	13.2%	53.4	(3.2%)
Shochu, Whiskey and Spirits, etc. *	48.7	(11.1%)	54.8	(14.7%)
Total sales	767.7	(1.0%)	775.2	(6.1%)

The above sales volume excludes exports.

* This item includes sales of soft drink beverages to Group companies

b. Kirin Beverage Group

<Category>

Non-alcohol beverages			Fiscal year ending December 31, 2012				Fiscal year ended December 31, 2011			
			Forecast	Composition ratio	Increase (decrease)	Percentage over the previous year	Actual	Composition ratio	Increase (decrease)	Percentage over the previous year
			10,000 cases		10,000 cases		10,000 cases		10,000 cases	
Category	Tea drink	Japanese tea	2,100	11%	34	102%	2,066	12%	(151)	93%
		Oolong tea	200	1%	(83)	71%	283	1%	(17)	94%
		Black tea	4,400	24%	(236)	95%	4,636	27%	197	104%
		Sub-total	6,700	36%	(285)	96%	6,985	40%	29	100%
	Coffee		3,100	16%	(48)	98%	3,148	19%	(188)	94%
	Fruit and vegetable juice		2,400	13%	509	127%	1,891	11%	(251)	88%
	Carbonated beverage		1,700	9%	951	227%	749	4%	(233)	76%
	Water		3,500	19%	186	106%	3,314	19%	467	116%
	Other		1,300	7%	98	108%	1,202	7%	(96)	93%
Domestic non-alcohol beverage market total			18,700	100%	1,411	108%	17,289	100%	(272)	98%

<Container Type>

Non-alcohol beverages			Fiscal year ending December 31, 2012				Fiscal year ended December 31, 2011			
			Forecast	Composition ratio	Increase (decrease)	Percentage over the previous year	Actual	Composition ratio	Increase (decrease)	Percentage over the previous year
Container type	Category	Details	10,000 cases		10,000 cases		10,000 cases		10,000 cases	
Cans	Can	Including bottle styled cans	4,000	22%	(264)	94%	4,264	25%	(258)	94%
PET bottles	Large-sized PET bottles	2L	3,900	21%	394	111%	3,506	20%	567	119%
		1.5L, 1L, 900ml, 750ml	1,600	8%	116	108%	1,484	9%	7	100%
		Large-sized PET bottles total	5,500	29%	510	110%	4,990	29%	574	113%
	Small-sized PET bottles	500ml	5,700	31%	971	121%	4,729	28%	(279)	94%
		350ml or less	1,400	7%	(66)	95%	1,466	8%	63	104%
		Small-sized PET bottles total	7,100	38%	905	115%	6,195	36%	(216)	97%
	PET bottles total		12,600	67%	1,415	113%	11,185	65%	358	103%
Other containers	One-way/Returnable bottles, paper, gifts, etc.		2,100	11%	260	114%	1,840	10%	(372)	83%
Domestic non-alcohol beverage market total			18,700	100%	1,411	108%	17,289	100%	(272)	98%

c. Kyowa Hakko Kirin

Sales		Fiscal year ending December 31, 2012		Fiscal year ended December 31, 2011	
		Forecast	Percentage over the previous year	Actual	Percentage over the previous year
Area	Major product name	¥ billions		¥ billions	
Nephrology	NESP [®]	53.7	95%	56.4	135%
	ESPO [®]	4.0	75%	5.3	49%
	[NESP [®] / ESPO [®]]	[57.7]	[93%]	[61.8]	[117%]
	REGPARA [®]	13.0	113%	11.5	121%
Immunology / allergology	Allelock [®]	29.1	100%	29.1	109%
	Patanol [®]	10.1	88%	11.4	152%
Oncology	GRAN [®]	13.4	91%	14.8	103%
Cardiovascular system	Coniel [®]	17.2	87%	19.7	94%