



KIRIN HOLDINGS COMPANY, LIMITED

April 26, 2013

SUMMARY OF CONSOLIDATED FINANCIAL RESULTS FOR THE THREE MONTHS ENDED MARCH 31, 2013 (UNDER JAPANESE GAAP) (UNAUDITED)

(English Translation)

Fiscal year ending December 31, 2013

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:	Mr. Tetsuya Fujiwara, Director of Group Corporate Communications
	Telephone: +81-3-5540-3455 from overseas
Submission date of quarterly securities report scheduled:	May 14, 2013
Commencement date of dividend distribution scheduled:	—
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 three months of the current fiscal year (January 1, 2013 - March 31, 2013)

[Unit: Japanese yen (¥)]

(1) Results of operations (cumulative):

(Fractions less than ¥1 million have been omitted.)

(Percentage change compares current results with those of the same period of the previous year.)

	Sales (¥ millions)	Percentage change (%)	Operating income (¥ millions)	Percentage change (%)	Ordinary income (¥ millions)	Percentage change (%)
Three months ended						
March 31, 2013	520,663	4.7	24,154	(4.6)	23,488	22.3
March 31, 2012	497,286	1.7	25,313	(23.3)	19,210	(34.6)

Note: Comprehensive income	March 31, 2013	¥145,431 million	[95.7%]
	March 31, 2012	¥74,312 million	[275.3%]

	Net income (¥ millions)	Percentage change (%)	Net income per share (Basic) (¥)	Net income per share (Diluted) (¥)
Three months ended				
March 31, 2013	54,309	—	56.51	56.45
March 31, 2012	(3,033)	—	(3.15)	—

Reference: Normalized EBITDA	March 31, 2013	¥58.3 billion [(6.6)%]
	March 31, 2012	¥62.4 billion
Normalized EPS	March 31, 2013	¥20 [53.8%]
	March 31, 2012	¥13

For details of definitions and computation methods for the above indicators, please refer to "BUSINESS PERFORMANCE" on page 2.

(2) Financial position:

	Total assets	Net assets	Ratio of equity to total assets
	(¥ millions)	(¥ millions)	(%)
As of			
March 31, 2013	2,908,555	1,278,149	36.8
December 31, 2012	2,951,061	1,153,901	32.2
Reference: Equity	March 31, 2013	¥1,069,030 million	
	December 31, 2012	¥948,943 million	

2. Dividends

	Annual dividends				
	First quarter (¥)	Second quarter (¥)	Third quarter (¥)	Year-end (¥)	Total (¥)
Fiscal year ended December 31, 2012	—	13.50	—	15.50	29.00
Fiscal year ending December 31, 2013	—				
Fiscal year ending December 31, 2013 (Forecast)		18.00	—	18.00	36.00

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

3. Forecast consolidated business results for the current fiscal year (January 1, 2013 - December 31, 2013)

(Percentage change compares current results with those of the same period of the previous year.)

	Sales (¥ millions)	Percentage change (%)	Operating income (¥ millions)	Percentage change (%)	Ordinary income (¥ millions)	Percentage change (%)
Six months ending June 30, 2013	1,090,000	4.6	58,000	1.4	—	—
Fiscal year ending December 31, 2013	2,290,000	4.7	155,000	1.3	132,000	(4.7)

	Net income (¥ millions)	Percentage change (%)	Net income per share (¥)
Six months ending June 30, 2013	—	—	—
Fiscal year ending December 31, 2013	90,000	60.1	93.60

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

Reference: Normalized EBITDA	December 31, 2013 (Forecast)	¥316.0 billion [2.8%]
Normalized EPS	December 31, 2013 (Forecast)	¥121 [3.4%]

* Notes

(1) Changes in significant subsidiaries for the three months ended March 31, 2013: 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. SUMMARY INFORMATION (NOTES), (2) APPLICATION OF SPECIFIC ACCOUNTING FOR PREPARING THE QUARTERLY CONSOLIDATED FINANCIAL STATEMENTS” on page 4 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: | Yes |
| ii. Changes in accounting policies due to other reasons: | None |
| iii. Changes in accounting estimates: | Yes |
| iv. Restatements: | None |

Note: Effective from the three month period ended March 31, 2013, the Company and its consolidated domestic subsidiaries have changed the depreciation method. Such change is classified as “changes in accounting policies which are difficult to distinguish from changes in accounting estimates”. For details, please refer to “2. SUMMARY INFORMATION (NOTES), (3) CHANGES IN ACCOUNTING POLICIES, CHANGES IN ACCOUNTING ESTIMATES, AND RESTATEMENTS” on page 4 of the Attached Materials.

(4) Number of shares outstanding (common stock)

- | | |
|--|--------------------|
| i. Number of shares outstanding at the end of the period (including treasury stock) | |
| As of March 31, 2013 | 965,000,000 shares |
| As of December 31, 2012 | 965,000,000 shares |
| ii. Number of treasury stock at the end of the period | |
| As of March 31, 2013 | 4,586,235 shares |
| As of December 31, 2012 | 3,502,064 shares |
| iii. Average number of shares during the period (cumulative from the beginning of the fiscal year) | |
| For the three months ended March 31, 2013 | 961,121,262 shares |
| For the three months ended March 31, 2012 | 961,716,926 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, April 26, and it will post the presentation materials from the financial results presentation (teleconference) to be held on Tuesday, April 30 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

INDEX

1. QUALITATIVE INFORMATION REGARDING CONSOLIDATED RESULTS FOR THE THREE MONTHS	2
(1) BUSINESS PERFORMANCE	2
(2) FINANCIAL POSITION	4
(3) CONSOLIDATED FORECASTS	4
2. SUMMARY INFORMATION (NOTES)	4
(1) CHANGES IN SIGNIFICANT SUBSIDIARIES FOR THE THREE MONTHS ENDED MARCH 31, 2013	4
(2) APPLICATION OF SPECIFIC ACCOUNTING FOR PREPARING THE QUARTERLY CONSOLIDATED FINANCIAL STATEMENTS	4
(3) CHANGES IN ACCOUNTING POLICIES, CHANGES IN ACCOUNTING ESTIMATES, AND RESTATEMENTS	4
3. CONSOLIDATED FINANCIAL STATEMENTS	5
(1) CONSOLIDATED BALANCE SHEETS	5
(2) CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME	7
CONSOLIDATED STATEMENTS OF INCOME	7
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME	8
(3) GOING CONCERN ASSUMPTION	9
(4) SEGMENT INFORMATION	9
(5) NOTES ON SIGNIFICANT CHANGES IN SHAREHOLDERS' EQUITY	10

1. QUALITATIVE INFORMATION REGARDING CONSOLIDATED RESULTS FOR THE THREE MONTHS

(1) BUSINESS PERFORMANCE

Although some risk factors including slowing growth in China and other BRICS countries were seen during the first quarter (January 1–March 31, 2013), the global economy continued a gradual recovery from the slowdown since last year including improvement in the European debt crisis and strength in the U.S. economy.

The Japanese economy bottomed out as the export environment improved in conjunction with the declining value of the yen and stronger overseas economies and as a result of effects from fiscal stimulus. Personal consumption remained firm.

Under these economic circumstances, the Kirin Group implemented measures to shift the direction of management towards organic growth and to establish and develop “Brand-centered management” as a source of sustainable competitive superiority during this first year of the Kirin Group Medium-term Business Plan 2013–2015, which covers the initial stage for carrying out the Kirin Group Vision 2021 (KV2021), Kirin’s long-term business framework.

Consolidated sales in the first quarter increased, primarily as a result of strong sales in the overseas integrated beverages business, but operating income was down due to lower sales volumes of alcohol beverages in the Japan integrated beverages business and prior brand investment. Ordinary income increased as a result of increased equity in earnings of affiliates, and net income for the quarter was up sharply due to reporting gains from the sale of investment securities in conjunction with the sale of Fraser and Neave, Limited shares.

Kirin Holdings Company, Limited 2013 first quarter results:	
Consolidated sales	¥520.6 billion, up 4.7%
Consolidated operating income	¥24.1 billion, down 4.6%
Consolidated ordinary income	¥23.4 billion, up 22.3%
Consolidated net income for the first quarter (Reference)	¥54.3 billion, —
Normalized EBITDA*	¥58.3 billion, down 6.6%
Normalized EPS*	¥20, up 53.8%

* Normalization: Removing special income and expenses and other non-operating items to reflect actual earnings more accurately

Normalized EBITDA = Operating income + Depreciation + Amortization of goodwill + Dividends received from entities accounted for by the equity method

Normalized EPS = Adjusted net income/Average number of shares outstanding during period

Adjusted net income = Net income + Amortization of goodwill etc. ± Special income or expenses after income taxes and minority interests

Note that normalized EBITDA has been rounded down to the nearest ¥100 million, and normalized EPS has been rounded to the nearest ¥1.

To provide additional shareholder returns, the Kirin Group commenced repurchase of own-shares in March with a maximum repurchase of 50 million shares, a maximum repurchase amount of 50 billion yen and a repurchase period lasting until December 30, 2013. In addition, Kirin Holdings entered into an agreement concerning the transfer of shares of Kirin Kyowa Foods Company, Limited with Mitsubishi Corporation in March.

Segment information is as follows.

Japan Integrated Beverages Business

Kirin Company, Limited was established on January 1, 2013, and the company undertook measures to develop existing brands under the new organizational structure from a long-term perspective.

Kirin Brewery Company, Limited proposed new ways of enjoying beer including starting the nationwide rollout of the *Ichiban Shibori Two Tone Nama* beer cocktail, and sales of *Kirin Ichiban Shibori* brand products were strong. Competition in the growing new genre category is further intensifying, and total sales volumes of beer, *happo-shu* (low-malt beer), and the new genre were down from the previous year, but in the RTD (ready-to-drink) category, a growing market, core products were updated and new product launched, resulting an increase in sales volume from the previous year. *Kirin FREE*, a non-alcohol beverage, was improved with a focus on taste.

Mercian Corporation reported a slight decline in sales volumes from the previous year mainly due to fierce competition in the household product market, but active measures were undertaken to create opportunities for consumers to enjoy wine on a daily basis including events such as the Spring Rosé Festa.

Kirin Beverage Company improved *Kirin Gogo-no-Kocha Oishii Sugar-Free* and the *Kirin Gogo-no-Kocha* brand invigorated the black tea beverage market even further by making new proposals for tea consumption scenarios in daily activities, while *Kirin Mets Cola*, the first Food for Specified Health Uses (FOSHU) cola beverage and other market-creating products, drove sales, and as a result sales volumes were up from the previous year.

Group companies actively promoted sales to increase brand strength, and with regard to manufacturing, efforts were made to raise efficiency and continuously reduce costs.

As a result, Kirin Beverage's sales volumes were higher, but sales and operating income fell, primarily due to lower sales volumes by Kirin Brewery and prior investment for reinforcing the group's various brands.

Japan integrated beverages business 2013 first quarter results:	
Consolidated sales	¥234.6 billion, down 1.2%
Consolidated operating losses	(¥1.1 billion)

Overseas Integrated Beverages Business

While the Australian economy remains strong, the retail and consumer goods sectors continue to experience subdued consumer sentiment in both Australia and New Zealand.

In these circumstances, Lion Pty Limited's Beer, Spirits and Wine business in Australia increased volumes and revenues as the total beer market decline began to slow and Lion began to realize benefits from the international premium brands that joined its portfolio, including *Corona Extra* and *Stella Artois*. While a highly competitive retail environment continues to impact volumes and margins in the soft drink and food business, Lion remains focused on sustainable cost reduction and brand investment and innovation, to drive value in the market.

The pace of growth of the Brazilian economy continues to slow, with a slight effect on personal consumption. Brasil Kirin Participações bolstered core brands and increased customer contacts with a focus on *Nova Schin* beer and *Schin* carbonated beverages and took other measures to enhance its market presence, resulting in sales volumes of both beer and soft drinks increasing from the previous year. In addition, Brasil Kirin raised efficiency and reinforced functions throughout the value chain by improving procurement processes and through increased capital investment to respond to growing household consumption.

As a result, sales and operating income in the Oceania integrated beverages business were both higher. Also, sales revenues were up and operating losses decreased in the other overseas integrated beverages business.

Oseania integrated beverages business 2013 first quarter results:	
Consolidated sales	¥127.6 billion, up 19.3%
Consolidated operating income	¥11.3 billion, up 22.9%

Other Overseas integrated beverages business 2013 first quarter results:	
Consolidated sales	¥52.1 billion, up 14.5%
Consolidated operating losses	(¥0.7 billion)

Pharmaceuticals and Bio-chemicals Business

In the pharmaceuticals business, Kyowa Hakko Kirin Co., Ltd. reported strong domestic sales of *Allelock*, an anti-allergy agent, and *Patanol*, anti-allergy eye drops, its core products, as a result of higher airborne pollen counts. Exports of pharmaceuticals were solid, but technology licensing revenues from FUJIFILM KYOWA KIRIN BIOLOGICS Co., Ltd. was down from the previous year. Overseas sales by ProStrakan Group plc and other companies were generally solid, and sales were up from the previous year.

In the bio-chemicals business, Kyowa Hakko Bio Co., Ltd. reported strong sales of pharmaceuticals and industrial ingredients centered on amino acid and nucleic acid related materials, but sales of food and beverage raw materials in the healthcare field were down, and as a result, sales in the bio-chemicals business fell from the previous year.

As a result, domestic and overseas sales were solid, but due to the decline in technology licensing revenues and other factors, sales and operating income were down.

Pharmaceuticals and bio-chemicals business 2013 first quarter results:	
Consolidated sales	¥84.7 billion, down 0.2%
Consolidated operating income	¥15.1 billion, down 19.1%

Other Businesses

Total sales in other businesses were down as a result of a substantial decline in Kirin Kyowa Foods Company, Limited's core processed food-related products business caused by cooling of the domestic market as well as sluggish growth of sales of food services and restaurant foods business, which is positioned as a growth category, and the bread ingredient business. Operating income, however, was up as a result of lower expenses.

Other businesses 2013 first quarter results:	
Consolidated sales	¥21.5 billion, down 3.6%
Consolidated operating income	¥0.8 billion, up 946.0%

(2) FINANCIAL POSITION

Total assets as of March 31, 2013 stood at ¥2,908.5 billion, a decrease of ¥42.5 billion compared to December 31, 2012. Despite increases in property, plant and equipment and an increase in intangible assets, but the decrease in total assets was partly due to decreases in cash, notes and accounts receivable, trade, and investment securities.

Total liabilities stood at ¥1,630.4 billion, a decrease of ¥166.7 billion compared to December 31, 2012 due to a decrease in interest-bearing debt, income taxes payable, and liquor taxes payable.

Net assets stood at ¥1,278.1 billion, up ¥124.2 billion compared to December 31, 2012, due to an increase in foreign currency translation adjustments.

(3) CONSOLIDATED FORECASTS

Kirin Group's consolidated forecasts for the full year ending December 31, 2013, as announced on February 14, 2013, have not been revised.

2. SUMMARY INFORMATION (NOTES)

(1) CHANGES IN SIGNIFICANT SUBSIDIARIES FOR THE THREE MONTHS ENDED MARCH 31, 2013

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 estimated annual income after the application of tax effect accounting.

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

Changes in accounting policies which are difficult to distinguish from changes in accounting estimates

Effective from the three month period ended March 31, 2013, the Company and its consolidated domestic subsidiaries have changed the depreciation method for property, plant and equipment acquired on or after January 1, 2013 in accordance with the amendment of the Corporation Tax Act of Japan.

The effect of this change on the operating income, ordinary income, and income before income taxes and minority interests for the three months ended March 31, 2013 was immaterial.

3. CONSOLIDATED FINANCIAL STATEMENTS

(1) CONSOLIDATED BALANCE SHEETS

(¥ millions)

	As of December 31, 2012	As of March 31, 2013
ASSETS		
Current assets		
Cash and time deposits	83,916	72,722
Notes and accounts receivable, trade	413,138	389,339
Merchandise and finished goods	122,159	134,092
Work in process	32,684	35,694
Raw materials and supplies	51,658	55,317
Other	90,078	88,437
Allowance for doubtful accounts	(4,138)	(4,922)
Total current assets	789,496	770,681
Non-current assets		
Property, plant and equipment (Net of accumulated depreciation and accumulated loss on impairment)	763,437	794,182
Intangible assets		
Goodwill	642,190	685,290
Other	179,758	199,183
Total	821,948	884,473
Investments and other assets		
Investment securities	475,157	357,441
Other	106,749	107,471
Allowance for doubtful accounts	(5,727)	(5,695)
Total	576,178	459,217
Total non-current assets	2,161,564	2,137,873
Total assets	2,951,061	2,908,555

	As of December 31, 2012	As of March 31, 2013
LIABILITIES		
Current liabilities		
Notes and accounts payable, trade	151,184	146,207
Short-term loans payable and long-term debt with current maturities	37,048	122,820
Commercial paper	77,994	59,995
Bonds due within one year	79,998	—
Income taxes payable	39,206	16,028
Reserves	6,679	15,798
Other	326,024	269,830
Total current liabilities	718,137	630,681
Non-current liabilities		
Bonds	285,579	287,249
Long-term debt	483,005	412,268
Employees' pension and retirement benefits	64,045	63,813
Other reserves	32,525	35,833
Other	213,866	200,559
Total non-current liabilities	1,079,022	999,724
Total liabilities	1,797,159	1,630,405
NET ASSETS		
Shareholders' equity		
Common stock	102,045	102,045
Capital surplus	81,415	81,416
Retained earnings	796,737	836,144
Treasury stock, at cost	(3,509)	(5,103)
Total shareholders' equity	976,689	1,014,503
Accumulated other comprehensive income		
Net unrealized gains on securities	59,113	34,265
Deferred gains or losses on hedges	(9,298)	(861)
Land revaluation difference	(2,543)	(2,543)
Foreign currency translation adjustments	(75,017)	23,665
Total accumulated other comprehensive income	(27,746)	54,526
Subscription Rights to Shares	203	221
Minority Interests	204,754	208,898
Total net assets	1,153,901	1,278,149
Total liabilities and net assets	2,951,061	2,908,555

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

(¥ millions)

	Three months ended March 31, 2012	Three months ended March 31, 2013
Sales	497,286	520,663
Cost of sales	290,541	297,742
Gross profit	206,744	222,920
Selling, general and administrative expenses	181,431	198,765
Operating income	25,313	24,154
Non-operating income		
Interest income	527	1,104
Dividend income	529	253
Equity in earnings of affiliates	—	1,937
Foreign currency translation gain	1,673	627
Other	1,886	2,395
Total	4,617	6,317
Non-operating expenses		
Interest expense	5,219	5,600
Equity in losses of affiliates	2,894	—
Other	2,605	1,383
Total	10,719	6,983
Ordinary income	19,210	23,488
Special income		
Gain on sale of property, plant and equipment and intangible assets	593	12,240
Gain on sale of investment securities	14	46,923
Other	51	47
Total	659	59,211
Special expenses		
Loss on disposal of property, plant and equipment and intangible assets	419	689
Loss on sale of property, plant and equipment and intangible assets	123	616
Loss on devaluation of investment securities	1	—
Loss on sale of investment securities	324	0
Business restructuring expense	950	1,783
Other	138	1,673
Total	1,957	4,762
Income before income taxes and minority interests	17,913	77,937
Income taxes	15,600	17,824
Income before minority interests	2,312	60,113
Minority interests	5,345	5,803
Net income (loss)	(3,033)	54,309

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(¥ millions)

	Three months ended March 31, 2012	Three months ended March 31, 2013
Income before minority interests	2,312	60,113
Other comprehensive income		
Net unrealized gains on securities	13,252	(23,789)
Deferred gains or losses on hedges	(368)	8,437
Foreign currency translation adjustments	55,287	90,519
Share of other comprehensive income of entities accounted for by the equity method	3,829	10,149
Total other comprehensive income	72,000	85,317
Comprehensive income	74,312	145,431
Comprehensive income attributable to:		
Owners of the parent	65,809	136,582
Minority interests	8,503	8,848

(3) GOING CONCERN ASSUMPTION

There are no matters to report under this item.

(4) SEGMENT INFORMATION

I. Three months ended March 31, 2012

1. Information about sales and income or loss amounts by reportable segment

(¥ millions)

Three months ended March 31, 2012							Amount recorded in the quarterly consolidated statements of income (Note 3)
Reportable Segment				Others (Note 1)	Adjustment (Note 2)		
Integrated Beverages			Pharmaceuticals and Bio-chemicals				
Japan	Oceania	Overseas -other					
Sales							
Unaffiliated customers	237,521	106,993	45,533	84,866	22,371	—	497,286
Inter-segment	3,482	25	35	2,244	948	(6,736)	—
Total sales	241,004	107,019	45,568	87,111	23,319	(6,736)	497,286
Segment income (loss)	870	9,233	(2,590)	18,709	82	(993)	25,313

Notes

1. "Others" includes food business, such as seasonings, and others.
2. The negative ¥993 million adjustment in segment income (loss) includes ¥3,954 million in inter-segment eliminations and negative ¥4,947 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 in the consolidated statements of income.

2. Information about loss on impairment of non-current assets, goodwill and others by reportable segment

There is no significant recognition or change during the period.

II. Three months ended March 31, 2013

1. Information about sales and income or loss amounts by reportable segment

(¥ millions)

Three months ended March 31, 2013							Amount recorded in the quarterly consolidated statements of income (Note 3)
Reportable Segment				Others (Note 1)	Adjustment (Note 2)		
Integrated Beverages			Pharmaceuticals and Bio-chemicals				
Japan	Oceania	Overseas -other					
Sales							
Unaffiliated customers	234,603	127,637	52,136	84,718	21,567	—	520,663
Inter-segment	1,985	21	64	1,951	894	(4,916)	—
Total sales	236,588	127,658	52,200	86,669	22,461	(4,916)	520,663
Segment income (loss)	(1,167)	11,348	(726)	15,128	867	(1,295)	24,154

Notes

1. "Others" includes food business, such as seasonings, and others.
2. The negative ¥1,295 million adjustment in segment income (loss) includes ¥743 million in inter-segment eliminations and negative ¥2,038 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.
3. Segment income (loss) is reconciled to operating income in the consolidated statements of income.

2. Information about loss on impairment of non-current assets, goodwill and others by reportable segments

There is no significant recognition or change during the period.

3. Changes in reportable segments

The reportable segments of the Kirin Group through the year ended December 31, 2012 were “Domestic Alcohol Beverages,” “Domestic Non-alcohol Beverages,” “Overseas Beverages,” and “Pharmaceuticals and Bio-chemicals.” However, effective from the three month period ended March 31, 2013, the Company changed such segments to “Integrated Beverages-Japan,” “Integrated Beverages-Oceania,” “Integrated Beverages-Overseas-other,” and “Pharmaceuticals and Bio-chemicals.”

This change is in conjunction with the establishment of Kirin Company, Limited in January 2013, as the regional headquarters in Japan, which marks the completion of a new management structure in the integrated beverages business to promote federal management between the Company, as the global headquarters, and the regional headquarters in Japan, Oceania, Brazil and Southeast Asia.

Major changes include the integration of the former “Domestic Alcohol Beverages” and “Domestic Non-alcohol Beverages” into “Integrated Beverages-Japan.” In addition, “Integrated Beverages-Oceania,” which had been included under the former “Overseas Beverages,” has become an independent reportable segment, and the other regions have been included under “Integrated Beverages-Overseas-other.”

The segment information for the three months ended March 31, 2012 included in “1. Information about sales and income or loss amounts by reportable segment” is prepared according to the new reportable segments.

(5) NOTES ON SIGNIFICANT CHANGES IN SHAREHOLDERS’ EQUITY

There are no matters to report under this item.

Supplementary Documents to the Financial Statements for the Three Months Ended March 31, 2013

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

KIRIN HOLDINGS COMPANY, LIMITED

April 26, 2013

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

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

(¥ billions)

	Three months ended March 31, 2013, Actual	Three months ended March 31, 2012, Actual	Increase (decrease)	
Sales	520.6	497.2	23.3	4.7%
Gross profit	222.9	206.7	16.1	7.8%
Selling, general and administrative expenses	198.7	181.4	17.3	9.6%
Operating income	24.1	25.3	(1.1)	(4.6%)
Non-operating income	6.3	4.6	1.7	36.8%
Non-operating expenses	6.9	10.7	(3.7)	(34.9%)
Ordinary income	23.4	19.2	4.2	22.3%
Special income	59.2	0.6	58.5	8,878.5%
Special expenses	4.7	1.9	2.8	143.4%
Income before income taxes and minority interests	77.9	17.9	60.0	335.1%
Income taxes	17.8	15.6	2.2	14.3%
Minority interests	5.8	5.3	0.4	8.6%
Net income (loss)	54.3	(3.0)	57.3	—
Normalized EBITDA	58.3	62.4	(4.1)	(6.6%)
Normalized EPS	¥20	¥13	¥7	53.8%
Sales (Excluding liquor tax)	460.1	433.5	26.6	6.1%
Operating income (Prior to amortization of goodwill etc.)	37.4	38.2	(0.7)	(2.1%)
Operating income ratio (Excluding liquor tax, prior to amortization of goodwill etc.)	8.1%	8.8%		

Normalized EBITDA = Operating income + Depreciation + Amortization of goodwill + Dividends received from entities accounted for by the equity method

Normalized EPS = Adjusted net income / Average number of shares outstanding during period

Adjusted net income = Net income + Amortization of goodwill etc. ± Special income or expenses after income taxes and minority interests

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

(¥)

	Three months ended March 31, 2013, Actual	Three months ended March 31, 2012, Actual
Lion (AUD)	86.08	80.18
Brasil Kirin (BRL)	46.47	45.42

	Three months ended March 31, 2013, Actual	Three months ended March 31, 2012, Actual
Lion	From October 2012 to December 2012	From October 2011 to December 2011
San Miguel Brewery		

2. Sales Details

(¥ billions)

	Three months ended March 31, 2013, Actual	Three months ended March 31, 2012, Actual	Increase (decrease)	
Sales	520.6	497.2	23.3	4.7%
Japan Integrated Beverages	234.6	237.5	(2.9)	(1.2%)
Kirin Brewery *	142.4	150.3	(7.9)	(5.3%)
Kirin Beverage	69.9	66.2	3.6	5.5%
Mercian	14.4	15.4	(0.9)	(6.4%)
Other and elimination	7.7	5.4	2.3	42.8%
Overseas Integrated Beverages	179.7	152.5	27.2	17.9%
Lion	127.6	107.0	20.6	19.3%
Brasil Kirin	44.0	38.2	5.7	15.1%
Other and elimination	8.0	7.2	0.8	11.3%
Pharmaceuticals and Bio-chemicals	84.7	84.8	(0.1)	(0.2%)
Kyowa Hakko Kirin	86.6	87.1	(0.4)	(0.5%)
Pharmaceutical	67.0	66.9	0.1	0.2%
Bio-chemical	19.5	20.1	(0.5)	(2.9%)
Other and elimination	(1.9)	(2.2)	0.2	(13.1%)
Other	21.5	22.3	(0.8)	(3.6%)

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

(Reference) Sales excluding liquor tax

(¥ billions)

	Three months ended March 31, 2013, Actual	Three months ended March 31, 2012, Actual
Kirin Brewery	84.5	89.6

3. Profit Details

(1) Operating Income

	(¥ billions)		
	Three months ended March 31, 2013, Actual	Three months ended March 31, 2012, Actual	Increase (decrease)
Operating income	24.1	25.3	(1.1)
Japan Integrated Beverages	(1.1)	0.8	(2.0)
Kirin Brewery *	0.5	3.6	(3.1)
Kirin Beverage *	(4.1)	(3.2)	(0.9)
Amortization of goodwill	(0.4)	(0.4)	(0.0)
Total	(4.6)	(3.7)	(0.9)
Mercian *	0.0	0.1	(0.0)
Others	2.9	0.8	2.0
Overseas Integrated Beverages	10.6	6.6	3.9
Lion (consolidated after reclassification)	19.4	16.3	3.0
Amortization of goodwill	(7.0)	(6.1)	(0.9)
Brand amortization	(0.9)	(0.9)	(0.0)
Total	11.3	9.2	2.1
Brasil Kirin (consolidated after reclassification)	1.3	(0.0)	1.4
Amortization of goodwill	(1.3)	(2.5)	1.1
Brand amortization	(0.8)	—	(0.8)
Total	(0.8)	(2.6)	1.7
Others	0.0	0.0	0.0
Pharmaceuticals and Bio-chemicals	15.1	18.7	(3.5)
Kyowa Hakko Kirin (consolidated after reclassification)	15.1	18.7	(3.5)
Pharmaceutical	13.0	16.7	(3.6)
Bio-chemical	1.4	1.3	0.1
Other/elimination of amortization of goodwill	2.1	2.2	(0.0)
Amortization of goodwill	(1.5)	(1.5)	—
Other	0.8	0.0	0.7
Corporate expenses/inter-segment eliminations	(1.2)	(0.9)	(0.3)

* Excluding management fee paid to the holding company.

Operating income breakdown

(¥ billions)

Company name	Major factors	Increase (decrease)	Description
Kirin Brewery	Decrease in marginal profit of alcohol beverages	(2.4)	Sales decrease in beer (3) thousand KL, (0.4) Sales decrease in <i>happo-shu</i> (7) thousand KL, (0.7) Sales decrease in new genre (8) thousand KL, (0.9) Sales increase in RTD 1 thousand KL, 0.1 Difference of change in products mix, etc.
	Increase in raw material cost of alcohol beverages	(0.2)	Increase in price of sugar and liquid sugar (0.2), etc.
	Increase in selling expenses	(1.1)	Increase in sales promotion and advertising (1.2), etc. (Beer, <i>happo-shu</i> and new genre (1.5), RTD 0.4, etc.)
	Decrease in other expenses	0.6	Decrease in depreciation 0.7, Decrease in repair expenses 0.3, Increase in management fees (0.9), etc.
Total		(3.1)	
Kirin Beverage	Difference in volume of sales	2.0	Increase in sales volume 1.99 million cases
	Cost decrease	1.0	Decrease in raw material cost 1.1
	Decrease due in change of composition ratio of containers, etc.	0.3	
	Increase in selling expenses	(3.4)	Increase in sales promotion and advertising (3.2), Increase in freight (0.1)
	Increase in other expenses	(0.8)	Increase in sales equipment cost (0.2), etc.
Total		(0.9)	

Major operating expenses

(¥ billions)

		Three months ended March 31, 2013, Actual	Three months ended March 31, 2012, Actual
Sales promotion		40.0	35.3
Advertising		28.0	24.3
Kirin Brewery	Sales promotion / Advertising	20.2	19.0
Kirin Beverage	Sales promotion / Advertising	26.5	23.2
Research and development		13.0	13.4
Kyowa Hakko Kirin (excluding internal transaction)		10.5	10.9

(2) Ordinary Income and Net Income

(¥ billions)

	Three months ended March 31, 2013, Actual	Three months ended March 31, 2012, Actual	Increase (decrease)	Description of changes
Non-operating income and expenses	(0.6)	(6.1)	5.4	Equity in earnings or losses of local affiliates 2.1, etc. Equity in earnings or losses of local affiliates (1.2) Amortization of goodwill 0.3 Kirin-Amgen, Inc. 1.7, etc.
Financial profit or loss, net	(4.2)	(4.1)	(0.0)	
Equity in earnings or losses of affiliates	1.9	(2.8)	4.8	
San Miguel Brewery	3.1	1.0	2.0	
Fraser and Neave	—	0.8	(0.8)	
Others	(1.2)	(4.8)	3.6	
Foreign currency translation gain or loss	0.6	1.6	(1.0)	
Other	1.0	(0.7)	1.7	
Ordinary income	23.4	19.2	4.2	
Special income and expenses	54.4	(1.2)	55.7	
Special income	59.2	0.6	58.5	
Gain on sale of property, plant and equipment and intangible assets	12.2	0.5	11.6	
Gain on sale of investment securities	46.9	0.0	46.9	
Other	0.0	0.0	(0.0)	
Special expenses	(4.7)	(1.9)	(2.8)	
Loss on disposal of property, plant and equipment and intangible assets	(0.6)	(0.4)	(0.2)	
Loss on sale of property, plant and equipment and intangible assets	(0.6)	(0.1)	(0.4)	
Loss on devaluation of investment securities	—	(0.0)	0.0	
Loss on sale of investment securities	(0.0)	(0.3)	0.3	
Business restructuring expense	(1.7)	(0.9)	(0.8)	
Other	(1.6)	(0.1)	(1.5)	
Income taxes	(17.8)	(15.6)	(2.2)	
Minority interests	(5.8)	(5.3)	(0.4)	
Net income (loss)	54.3	(3.0)	57.3	

4. Summary of Consolidated Balance Sheets

(¥ billions)

	As of March 31, 2013	As of December 31, 2012	Increase (decrease)	Description of changes
Current assets	770.6	789.4	(18.8)	
Cash and time deposits	72.7	83.9	(11.1)	
Notes and accounts receivable, trade	389.3	413.1	(23.7)	
Inventories	225.1	206.5	18.6	
Other	83.5	85.9	(2.4)	
Non-current assets	2,137.8	2,161.5	(23.6)	
Property, plant and equipment	794.1	763.4	30.7	Increase due to the influence of exchange rate fluctuations in evaluation of foreign subsidiaries, etc.
Intangible assets	884.4	821.9	62.5	
Goodwill	685.2	642.1	43.0	Increase due to the influence of exchange rate fluctuations in evaluation of foreign subsidiaries, etc.
Other	199.1	179.7	19.4	
Investments and other assets	459.2	576.1	(116.9)	Decrease due to sale of investment securities, etc.
Total assets	2,908.5	2,951.0	(42.5)	
Current liabilities	630.6	718.1	(87.4)	
Notes and accounts payable, trade	146.2	151.1	(4.9)	
Interest-bearing debt	182.8	195.0	(12.2)	
Other	301.6	371.9	(70.2)	Decrease in liquor taxes payable due to seasonal variations and decrease in accounts payable related to the acquisition of shares in subsidiaries, etc.
Non-current liabilities	999.7	1,079.0	(79.2)	
Interest-bearing debt	699.5	768.5	(69.0)	Decrease due to replacement of long-term debt with short-term one, etc.
Other	300.2	310.4	(10.2)	
Total liabilities	1,630.4	1,797.1	(166.7)	
Shareholders' equity	1,014.5	976.6	37.8	
Accumulated other comprehensive income	54.5	(27.7)	82.2	Increases in foreign currency translation adjustments due to exchange rate changes, etc.
Subscription rights to shares	0.2	0.2	0.0	
Minority interests	208.8	204.7	4.1	
Total net assets	1,278.1	1,153.9	124.2	
Total liabilities and net assets	2,908.5	2,951.0	(42.5)	

5. Other Information

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

Three months ended March 31, 2013, Actual

<Consolidated subsidiaries>

(¥ billions)

	Sales	Operating income	Ordinary income	Net income	Consolidated net income
Kyowa Hakko Kirin	86.6	14.3	14.8	10.4	5.4
Elimination of amortization of goodwill		2.3	2.3	2.3	1.2
Amortization of goodwill		(1.5)	(1.5)	(1.5)	(1.5)
Total included in consolidation	86.6	15.1	15.6	11.1	5.1

<Equity-method affiliates>

(¥ billions)

	Sales	Operating income	Ordinary income	Net income	Consolidated net income
San Miguel Brewery	44.3	14.1	12.5	10.5	5.1
Equity in earnings or losses of local affiliates			5.1	5.1	5.1
Brand amortization			(0.4)	(0.4)	(0.4)
Amortization of goodwill			(1.4)	(1.4)	(1.4)
Total included in consolidation			3.1	3.1	3.1

(2) Sales Details of Major Business Companies

a. Kirin Brewery

	Three months ended March 31, 2013		Three months ended March 31, 2012	
	Actual	Increase (decrease)	Actual	Increase (decrease)
Sales volume	Thousand KL		Thousand KL	
Beer	128	(2.5%)	132	0.5%
<i>Happo-shu</i>	109	(6.0%)	116	(2.4%)
New genre	136	(5.7%)	144	7.5%
Sub-total	374	(4.7%)	393	2.1%
RTD	44	2.5%	43	9.2%
Non-alcohol beverages	7	(19.8%)	9	(11.2%)
Breakdown of sales	¥ billions		¥ billions	
Beer	53.0	(2.3%)	54.2	0.5%
<i>Happo-shu</i>	33.3	(6.0%)	35.5	(2.4%)
New genre	35.8	(5.3%)	37.8	7.2%
Sub-total	122.2	(4.2%)	127.6	1.5%
RTD	12.3	3.1%	11.9	9.3%
<i>Shochu</i> , Whiskey and Spirits, etc. *	7.8	(27.0%)	10.8	(4.5%)
Total sales	142.4	(5.3%)	150.3	1.6%

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			Three months ended March 31, 2013				Three months ended March 31, 2012			
			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	381	10%	(47)	89%	428	12%	44	111%
		Oolong tea	61	1%	2	103%	59	1%	(2)	97%
		Black tea	1,061	27%	87	109%	974	26%	(16)	98%
		Sub-total	1,503	38%	42	103%	1,461	39%	26	102%
	Coffee		686	18%	(21)	97%	707	19%	(12)	98%
	Fruit and vegetable juice		473	12%	29	107%	444	12%	32	108%
	Carbonated beverage		274	7%	132	193%	142	4%	28	125%
	Water		666	17%	(63)	91%	729	20%	125	121%
	Other		305	8%	80	136%	225	6%	8	104%
Domestic non-alcohol beverage market total			3,907	100%	199	105%	3,708	100%	207	106%

<Container Type>

Non-alcohol beverages			Three months ended March 31, 2013				Three months ended March 31, 2012			
			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	796	20%	(132)	86%	928	25%	(26)	97%
PET bottles	Large-sized PET bottles	2L	774	20%	(45)	95%	819	22%	222	137%
		1.5L, 1L, 900ml, 750ml	320	8%	21	107%	299	8%	(19)	94%
		Large-sized PET bottles total	1,094	28%	(24)	98%	1,118	30%	203	122%
	Small-sized PET bottles	500ml	1,069	28%	194	122%	875	24%	10	101%
		350ml or less	517	13%	113	128%	404	11%	23	106%
		Small-sized PET bottles total	1,586	41%	307	124%	1,279	35%	33	103%
		PET bottles total	2,680	69%	283	112%	2,397	65%	236	111%
Other containers	One-way/Returnable bottles, paper, gifts, etc.		431	11%	48	113%	383	10%	(3)	99%
Domestic non-alcohol beverage market total			3,907	100%	199	105%	3,708	100%	207	106%