



# KIRIN HOLDINGS COMPANY, LIMITED

November 4, 2011

## SUMMARY OF CONSOLIDATED FINANCIAL RESULTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2011 (UNDER JAPANESE GAAP) (UNAUDITED)

(English Translation)

Fiscal year ending December 31, 2011

### 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. Kensuke Suzuki, General Manager of Corporate Communications
	Telephone: 81-3-5540-3455 from overseas
Submission date of quarterly securities report scheduled:	November 11, 2011
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 positions for the first nine months of the current fiscal year (January 1, 2011 - September 30, 2011)

[Unit: Japanese yen (¥)]

### (1) Results of operations (cumulative):

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

	Sales	Percentage change	Operating income	Percentage change	Ordinary income	Percentage change
	(¥ millions)	(%)	(¥ millions)	(%)	(¥ millions)	(%)
Nine months ended						
September 30, 2011	1,549,179	(3.3)	119,969	5.5	115,566	7.6
September 30, 2010	1,602,854	(3.9)	113,675	21.0	107,437	(2.4)

	Net income	Percentage change	Net income per share (Primary)	Net income per share (Diluted)
	(¥ millions)	(%)	(¥)	(¥)
Nine months ended				
September 30, 2011	26,928	11.2	28.00	27.58
September 30, 2010	24,216	(41.9)	25.41	—

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

(2) Financial positions:

	Total assets	Net assets	Ratio of equity to total assets	Net assets per share
	(¥ millions)	(¥ millions)	(%)	(¥)
September 30, 2011	2,735,276	1,159,600	35.1	996.78
December 31, 2010	2,649,197	1,159,036	36.3	1,000.51
Reference: Equity	September 30, 2011	958,745 million yen		
	December 31, 2010	962,476 million yen		

**2. Dividends**

	Annual dividends				
	First quarter	Second quarter	Third quarter	Year-end	Total
	(¥)	(¥)	(¥)	(¥)	(¥)
Fiscal year ended December 31, 2010	—	12.50	—	12.50	25.00
Fiscal year ending December 31, 2011	—	13.50	—		
Fiscal year ending December 31, 2011 (Forecast)				13.50	27.00

Note: Revision of the forecast in the third quarter of the fiscal year ending December 31, 2011: None

**3. Forecast of consolidated business results for the current fiscal year  
(January 1, 2011 - December 31, 2011)**

	Sales	Percentage change	Operating income	Percentage change	Ordinary income	Percentage change
	(¥ millions)	(%)	(¥ millions)	(%)	(¥ millions)	(%)
Fiscal year ending December 31, 2011	2,110,000	(3.1)	144,000	(5.0)	138,000	(2.1)

	Net income	Percentage change	Net income per share
	(¥ millions)	(%)	(¥)
Fiscal year ending December 31, 2011	27,000	137.0	28.07

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

Note: Revision of the forecast in the third quarter of the fiscal year ending December 31, 2011: Yes

#### 4. Others (For details, please refer to *OTHER INFORMATION* on page 5 of the Attached Materials)

(1) Changes in significant subsidiaries during the period: None

Newly included: –

Excluded: –

Note: Changes in specified subsidiaries accompanying change in scope of consolidation.

(2) Application of simplified accounting and specific accounting: Yes

Note: Application of simplified accounting and specific accounting for preparing the quarterly consolidated financial statements.

(3) Changes in accounting policies and procedures, and methods of presentation

i. Changes due to amendment of accounting standards: Yes

ii. Changes due to other reasons: None

Note: Changes in accounting policies and procedures, and methods of presentation for preparing the quarterly consolidated financial statements described in the section of “Summary of changes in accounting policies and procedures, and methods of presentation.”

(4) Number of shares outstanding (common stock)

i. Number of shares outstanding at the end of period (including treasury stock)

As of September 30, 2011	965,000,000 shares
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As of December 31, 2010	965,000,000 shares
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ii. Number of treasury stock at the end of period

As of September 30, 2011	3,158,132 shares
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As of December 31, 2010	3,010,208 shares
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iii. Average number of shares during the period (cumulative from the beginning of the fiscal year)

For the nine months ended September 30, 2011	961,826,141 shares
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For the nine months ended September 30, 2010	953,218,782 shares
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\* Indication regarding execution of quarterly review procedures

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 Act are incomplete.

\* Information about proper usage of forecast of business results, and other special instructions

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.

## ATTACHED MATERIALS

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# 1. QUALITATIVE INFORMATION REGARDING CONSOLIDATED RESULTS FOR THE NINE MONTHS

## (1) BUSINESS PERFORMANCE

During the first nine months (January 1, 2011 to September 30, 2011), the Japanese economy has rallied, helped in part by progress made in freeing up constraints on the supply side which had been caused by the Great East Japan Earthquake. Caution still needs to be exercised though, such as against any downturn in overseas economies or fluctuations in exchange rates.

Under such economic conditions, the Kirin Group has continued to work on “qualitative expansion” in this second year of the Kirin Group’s 2010-2012 medium-term business plan, which forms the second stage in realizing our long-term business framework: the “Kirin Group Vision 2015” (KV2015).

In the Japanese market, we continued to pursue an integrated beverages group strategy focused on Kirin Brewery Company, Limited and Kirin Beverage Company, Limited, and under the direction of functionally organized Cross Company Teams (CCTs), we worked to increase profitability and efficiency across the Group. In September, production resumed at the Kirin Brewery’s Sendai Plant, which had been damaged during the Great East Japan Earthquake.

Overseas, and we strengthened our business base in the soft drink markets of China and Southeast Asia, where rapid growth is expected. Following on from our March acquisition of shares of the Interfood Shareholding Company, a soft drink manufacturer and distributor in Vietnam, in August, we concluded establishing a joint venture to operate non-alcohol beverage business in China in collaboration with China Resources Enterprise, Limited. Also in August, we acquired a 50.45% shareholding in the Schincariol Group, which produces beer and soft drink in Brazil. (We acquired the remaining 49.55% on November 4, making it a wholly owned subsidiary of Kirin.) The acquisition gives the Company a foothold in the fast-growing Brazilian marketplace to complement our existing business operations in Asia and Oceania, and represents a key plank in the deployment of Kirin’s integrated beverages group strategy in the international arena. The business results of the Schincariol Group have not been included in our third-quarter operating results. They will be included from next fiscal year.

Also, regarding the applications for a precautionary measure and main lawsuit, which had been instituted in the local court by the minority shareholder of the Schincariol Group against our acquisition of shares of the group, an application for withdrawal of these actions was filed on November 4, and, as such, we expect the case to be brought to a close.

As a result, sales decreased in the third quarter, but operating income, ordinary income and net income increased.

Kirin Holdings Company, Limited 2011 third quarter results:

Consolidated sales	¥1,549.1 billion, down 3.3%
Consolidated operating income	¥119.9 billion, up 5.5%
Consolidated ordinary income	¥115.5 billion, up 7.6%
Consolidated net income	¥26.9 billion, up 11.2%

Results by segment are as follows.

### <Domestic Alcohol Beverages Business>

In the domestic alcohol beverages business, Kirin Brewery Company, Limited put more effort into strengthening core brands, and managed to maintain strong sales in such labels as *Kirin Ichiban Shibori*, *Tanrei Green Label* and *Kirin Nodogoshi Nama*. In the RTD (ready to drink) market we maintained strong sales of *Kirin Chuha Hyoketsu Yasashii Kajitsu no 3%*, our new product containing less than 3% alcohol. Furthermore, at our Sendai Plant, where operations had been suspended after sustaining damage during the Great East Japan Earthquake, we resumed brewing beer in late September, aiming for our first shipment in early November. Also in September, we launched our “Imakoso! Erabo. Nippon no Umai! 2011” present campaign, aimed at supporting the vitality of Japan through food. This campaign is being rolled out as part of our Kirin *Kizuna* Project: Support for Rebuilding, our ongoing group-wide activities to support rebuilding in the areas affected by the disaster.

As for Mercian Corporation, sales of our domestic table wines, including *Mercian Oishii-Sankaboshizai-Mutenka Wine* (a delicious and antioxidants - free wine) and *Mercian Bistro*, remained strong, while sales of our Chilean wine *Frontera* and our other imported table wines were also steady. Furthermore, we recorded strong sales of our PET bottles for wine, which were developed in collaboration with Kirin Brewery Company, Limited, and in doing so, we secured the largest domestic share in the ever-growing PET-bottled wine category.

\* No. 1 share of domestic sales in the PET-bottled wine category based on actual sales for the period June 2010 to May 2011. Investigation by distribution magazine, Chain Store Age (sample of PET-bottled wine only). Source: TOPNAVI-NET.

As a result, sales decreased, but operating income increased.

Domestic alcohol beverages business 2011 third quarter results:	
Consolidated sales	¥636.3 billion, down 6.6%
Consolidated operating income	¥56.9 billion, up 3.9%

#### <Domestic Non-Alcohol Beverages Business>

In the domestic non-alcohol beverages business, in addition to strengthening its product value and sales force, Kirin Beverage Company, Limited has also continued efforts to reform its revenue structure, and is proceeding to rebuild its competitive edge aimed at realizing growth.

As for our core brand *Kirin Gogo-no-Kocha*, sales of *Kirin Gogo-no-Kocha Straight Tea* and our two other flagship items as well as of *Kirin Gogo-no-Kocha Espresso Tea* continued to do well. In addition, we also launched *Kirin Gogo-no-Kocha Pungency*, *Chaba 2-Bai Milk Tea*, a full, rich-flavored milk tea, helping to drive the black tea market. We also endeavored to stimulate the coffee market with our *Kirin FIRE* brand, such as by renewing our *Kirin FIRE Neo* series of PET-bottled coffee. From our *Sekai-no-Kitchen-Kara* brand, we also released *Kirin Sekai-no-Kitchen-Kara, Salt and Litchi*. The product's merits of tasting great and replenishing water and salt have been highly acclaimed, and we smashed through the annual sales target in the first month of sales.

As a result, sales decreased, but operating income increased.

Domestic non-alcohol beverages business 2011 third quarter results:	
Consolidated sales	¥236.3 billion, down 12.3%
Consolidated operating income	¥3.2 billion, up 3.3%

#### <Overseas Beverages Business>

In the overseas beverages business, Lion's alcohol beverages and soft drinks and foods businesses continued to make progress in improving mix and efficiency by pursuing a strategy of investing in people and a focused portfolio of high potential brands to drive sustainable results in the long term.

Conditions in the Oceania market remained challenging during the third quarter of this financial year, driven by weak consumer sentiment along with the ongoing consequences of poor weather, natural disasters in Lion's key markets, the loss of private label contracts and deep retailer discounting on white milk.

Despite these conditions Lion saw some signs of recovery in its alcohol beverages businesses across Australia and New Zealand during the quarter.

Conditions in the soft drinks and foods business remained very difficult for farmers and processors alike, driven by private label contract losses and deep discounting of white milk in retail. The business continued to progress the integration of the former Dairy Farmers and National Foods businesses, to achieve sustainable growth and profitability improvement.

As a result, sales increased, but operating income decreased.

Overseas beverages business 2011 third quarter results:	
Consolidated sales	¥347.6 billion, up 19.5%
Consolidated operating income	¥15.0 billion, down 5.2%

#### <Pharmaceuticals and Biochemicals Business>

In the pharmaceuticals business, at Kyowa Hakko Kirin Co., Ltd., sales remained strong for *Nesp*, a treatment for nephrogenic anemia, and *Regpara*, a treatment for treating secondary hyperparathyroidism, a complication arising from dialysis. Moreover, the higher amounts of airborne pollen helped to increase sales of the antiallergic agent *Allelock* and the antiallergic eye drop *Patanol* far beyond the previous year's sales. In addition, in April, the company acquired all shares of ProStrakan Group Plc, the UK specialty pharmaceutical company that has development and distribution systems in the US and Europe for cancer-related and other ethical drugs.

In the biochemicals business, Kyowa Hakko Bio Co., Ltd. experienced growth in the volume of sales,

especially intravenous amino acids and pharmaceutical raw materials to other Asian countries. Despite this, the company's sales of pharmaceuticals and industrial ingredients, centered on amino acid and nucleic acid related materials, were affected by appreciation of the yen.

Additionally, on March 31, Kyowa Hakko Kirin Co., Ltd. transferred all of its shares held in Kyowa Hakko Chemical Co., Ltd. Consequently, only results for the first quarter consolidated accounting period (January 1 to March 31, 2011) have been included for the chemicals business.

As a result, sales decreased, but operating income increased.

Pharmaceuticals and biochemicals business 2011 third quarter results:

Consolidated sales	¥254.0 billion, down 15.2%
Consolidated operating income	¥40.6 billion, up 13.4%

With respect to research and development of new drugs, steady progress was made both in Japan and overseas, such as an application for approval being made in April for KW-0761, a humanized monoclonal antibody that uses proprietary antibody technologies.

<Other Businesses>

At Kirin Kyowa Foods Company, Limited, we continued to enhance "value proposal" based development and marketing structures, and we endeavored to offer products and services that meet customer needs.

As a result, sales increased, but operating income decreased.

Other businesses 2011 third quarter results:

Consolidated sales	¥74.7 billion, up 22.2%
Consolidated operating income	¥4.8 billion, down 19.9%

## (2) FINANCIAL POSITION

Total assets as of September 30, 2011 stood at ¥2,735.2 billion, an increase of ¥86.0 billion compared to December 31, 2010. Despite decreases in notes and accounts receivable, trade and in property, plant and equipment, the increase in total assets was partly due to increases in cash, intangible assets and investment securities. Total liabilities stood at ¥1,575.6 billion, an increase of ¥85.5 billion compared to December 31, 2010. Despite decreases in notes and accounts payable, trade and in liquor taxes payable, the increase was mainly due to an increase in interest-bearing debts. Net assets stood at ¥1,159.6 billion, an increase of ¥0.5 billion compared to December 31, 2010 due, in part, to an increase in net unrealized holding gains on securities

## (3) CONSOLIDATED FORECASTS

Kirin is on target to meet the revised figures for consolidated sales, consolidated operating income and consolidated ordinary income, which were contained in the revised earnings forecast announced on August 5, 2011. However, in part as a consequence of recording ¥18,700 million for a loss on devaluation of investment securities and ¥5,100 million for a loss on impairment of fixed assets during the third quarter of the period ending December 31, 2011, Kirin has included these losses as special expenses in the full-year consolidated earnings forecast, and has revised the forecast for consolidated net income. Note, however, that, with regard to the loss on devaluation of investment securities, the value of the loss may change or no loss may be recorded depending on the market value prevailing on December 31, 2011. Furthermore, the profits and losses of the Schincariol Group, acquisition of whose shares was announced in the timely disclosure on August 2, 2011, will be included from next fiscal year. Given that the effects on the period ending December 31, 2011 are immaterial, they have not been reflected in the above figures for the consolidated earnings forecast.

[Consolidated forecasts for the year ending December 31, 2011]

Unit: million Japanese yen

	Sales	Operating income	Ordinary income	Net income	Net income per share
Previously announced forecast (A)	2,110,000	144,000	138,000	52,000	¥54.06
New forecast (B)	2,110,000	144,000	138,000	27,000	¥28.07
Change (B-A)	-	-	-	(25,000)	-
Change (%)	-	-	-	(48.1)	-
Actual result for previous fiscal year	2,177,802	151,612	140,969	11,394	¥11.95

## 2. OTHER INFORMATION

### (1) SUMMARY OF CHANGES IN SIGNIFICANT SUBSIDIARIES

There is no matter that falls under this item.

### (2) SUMMARY OF SIMPLIFIED ACCOUNTING AND SPECIFIC ACCOUNTING

#### (2)-1 Simplified accounting methods

##### 1. Allowance for doubtful accounts except for certain identified doubtful receivables

The allowance for doubtful receivables for the period is based on actual default rates in the previous fiscal year unless default rates are deemed to have undergone a material change.

##### 2. Valuation of inventories

Valuation of consolidated inventories at the end of the quarterly period is derived from a reasonable calculation based on actual inventories at the end of the previous fiscal year, without undertaking physical inventory count.

Where inventories are deemed to have declined materially in value, the book value of such inventories is written down to estimated net realizable amounts.

##### 3. Calculation of deferred tax assets and liabilities

The Company makes judgments of the recoverability of deferred tax assets based on the future earning forecast and tax planning used in the previous fiscal year, when there have been no significant changes in the management environment or other circumstances of occurrence of temporary difference since the end of the previous fiscal year.

#### (2)-2 Specific accounting methods

##### Calculation of income taxes

Income taxes for the period are calculated by multiplying net income before income taxes by effective tax rate estimated reasonably using the estimated income before income taxes for the year after the application of tax effect accounting.

Deferred income taxes are included in income taxes.

### (3) SUMMARY OF CHANGES IN ACCOUNTING POLICIES AND PROCEDURES, AND METHODS OF PRESENTATION

#### (3)-1 Application of the "Accounting Standard for Equity Method of Accounting for Investments" and the "Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method"

Effective from the first quarter ended March 31, 2011, the Company has applied the "Accounting Standard for Equity Method of Accounting for Investments" (ASBJ Statement No. 16 of March 10, 2008) and the "Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method" (ASBJ Practical Issues Task Force (PITF) No. 24 of March 10, 2008).

There was no effect on operating result from this application.



(3)-2 Application of “Accounting Standard for Asset Retirement Obligations”

Effective from the first quarter ended March 31, 2011, the Company has applied the “Accounting Standard for Asset Retirement Obligations” (ASBJ Statement No. 18 of March 31, 2008) and the “Guidance on Accounting Standard for Asset Retirement Obligations” (ASBJ Guidance No. 21 of March 31, 2008).

As a result, operating income, ordinary income and income before income taxes and minority interests decreased by ¥109 million, ¥95 million and ¥1,575 million, respectively. In addition, the asset retirement obligation amount has changed by ¥2,854 million upon application of this new accounting standard.

### 3. CONSOLIDATED FINANCIAL STATEMENTS

#### (1) CONSOLIDATED BALANCE SHEETS

(¥ millions)

	As of September 30, 2011	As of December 31, 2010 (Summary)
<b>ASSETS</b>		
Current Assets		
Cash	85,583	51,463
Notes and accounts receivable, trade	308,854	415,268
Merchandise and finished goods	116,654	129,704
Work in process	33,622	19,917
Raw materials and supplies	41,093	38,191
Other	71,016	74,483
Allowance for doubtful accounts	(2,146)	(1,939)
Total Current Assets	654,677	727,088
Fixed Assets		
Property, Plant and Equipment	686,637	739,235
Intangible Assets		
Goodwill	588,573	562,492
Other	112,314	95,864
Total	700,887	658,357
Investments and Other Assets		
Investment securities	597,346	428,383
Other	102,408	103,562
Allowance for doubtful accounts	(6,681)	(7,430)
Total	693,073	524,515
Total Fixed Assets	2,080,598	1,922,108
<b>TOTAL ASSETS</b>	<b>2,735,276</b>	<b>2,649,197</b>

	As of September 30, 2011	As of December 31, 2010 (Summary)
<b>LIABILITIES</b>		
Current Liabilities		
Notes and accounts payable, trade	129,499	169,036
Short-term loans payable and long-term debt with current maturities	161,383	181,786
Commercial papers	95,994	10,999
Bonds due within one year	3,229	3,361
Income taxes payable	20,063	26,544
Reserves	15,743	7,491
Other	232,830	280,475
Total Current Liabilities	658,744	679,695
Long-term Liabilities		
Bonds	386,062	320,070
Long-term debt	303,982	262,720
Employees' pension and retirement benefits	63,993	66,882
Other reserves	6,173	6,212
Other	156,719	154,578
Total Long-term Liabilities	916,931	810,464
<b>TOTAL LIABILITIES</b>	<b>1,575,675</b>	<b>1,490,160</b>
<b>NET ASSETS</b>		
Shareholders' Equity		
Common stock	102,045	102,045
Capital surplus	81,419	81,412
Retained earnings	823,437	821,519
Treasury stock, at cost	(3,163)	(2,985)
Total Shareholders' Equity	1,003,739	1,001,992
Valuation and Translation Adjustments		
Net unrealized holding gains on securities	12,548	7,252
Deferred gains or losses on hedges	359	1,285
Land revaluation difference	(4,713)	(4,713)
Foreign currency translation adjustments	(53,189)	(43,341)
Total Valuation and Translation Adjustments	(44,994)	(39,516)
Subscription rights to shares	228	207
Minority interests	200,626	196,352
<b>TOTAL NET ASSETS</b>	<b>1,159,600</b>	<b>1,159,036</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>2,735,276</b>	<b>2,649,197</b>

## (2) CONSOLIDATED STATEMENTS OF INCOME

(¥ millions)

	Nine months ended September 30, 2010	Nine months ended September 30, 2011
Sales	1,602,854	1,549,179
Cost of sales	964,832	909,776
Gross profit	638,021	639,403
Selling, general and administrative expenses	524,345	519,433
Operating income	113,675	119,969
Non-operating income		
Interest income	1,022	2,914
Dividend income	2,221	3,565
Equity in earnings of affiliates	9,750	7,945
Other	3,507	2,633
Total	16,501	17,059
Non-operating expenses		
Interest expense	16,250	16,176
Foreign currency translation loss	3,477	—
Other	3,012	5,287
Total	22,740	21,463
Ordinary income	107,437	115,566
Special income		
Gain on sale of fixed assets	3,689	16,227
Gain on sale of investment securities	7,121	1,619
Gain on sale of shares of subsidiaries and affiliates	122	15,543
Other	3,884	4,345
Total	14,817	37,735
Special expenses		
Loss on retirement of fixed assets	3,729	1,712
Loss on sale of fixed assets	411	760
Loss on impairment	—	6,842
Loss on devaluation of investment securities	3,301	22,310
Loss on sale of investment securities	104	—
Loss on sale of shares of subsidiaries and affiliates	6,392	4,175
Loss on reversal of foreign currency translation adjustments due to liquidation of a foreign subsidiary	7,568	—
Loss on revision of retirement benefit plan	6,987	—
Loss on prior periods adjustment	5,300	—
Business restructuring expense	2,097	4,298
Loss related to the Great East Japan Earthquake	—	18,455
Other	9,974	9,651
Total	45,868	68,206
Income before income taxes and minority interests	76,385	85,094
Income taxes	45,247	44,862
Income taxes for prior years - deferred	1,169	—
Income before minority interests	—	40,232
Minority interests	5,752	13,303
Net income	24,216	26,928

### (3) CONSOLIDATED STATEMENTS OF CASH FLOWS

(¥ millions)

	Nine months ended September 30, 2010	Nine months ended September 30, 2011
Cash flows from operating activities		
Income before income taxes and minority interests	76,385	85,094
Depreciation and amortization	76,919	76,535
Loss on impairment	—	6,842
Amortization of goodwill	25,759	28,163
Interest and dividend income	(3,243)	(6,480)
Equity in losses (earnings) of affiliates	(9,750)	(7,945)
Interest expense	16,250	16,176
Foreign currency translation loss (gain)	1,579	288
Gain on sale of fixed assets	—	(16,227)
Loss on retirement and sale of fixed assets	4,140	1,907
Gain on sale of investment securities	(7,121)	(1,619)
Loss on devaluation of investment securities	—	22,310
Gain on sale of shares of subsidiaries and affiliates	—	(15,543)
Loss on sale of shares of subsidiaries and affiliates	6,392	4,175
Decrease (increase) in notes and accounts receivable, trade	80,096	80,092
Decrease (increase) in inventories	(6,878)	(9,045)
Increase (decrease) in notes and accounts payable, trade	(2,012)	(19,739)
Increase (decrease) in liquor taxes payable	(36,212)	(31,164)
Increase (decrease) in consumption taxes payable	(5,274)	(687)
Increase (decrease) in deposits received	(17,594)	(7,322)
Other	947	9,040
Sub-total	200,382	214,852
Interest and dividend received	10,603	14,741
Interest paid	(16,527)	(17,058)
Income taxes paid	(27,622)	(51,224)
Net cash provided by operating activities	166,835	161,311
Cash flows from investing activities		
Payment for purchases of property, plant and equipment and intangible assets	(84,417)	(61,883)
Proceeds from sale of property, plant and equipment and intangible assets	11,083	20,529
Payment for purchases of marketable securities and investment securities	(86,545)	(246,355)
Proceeds from sale and redemption of marketable securities and investment securities	16,986	11,407
Payment for purchases of shares of subsidiaries	(6,315)	(886)
Payment for purchases of shares of subsidiaries with consolidation/de-consolidation	—	(41,207)
Proceeds from sale of shares of subsidiaries with consolidation/de-consolidation	703	71,339
Other	2,800	(5,350)
Net cash used in investing activities	(145,704)	(252,407)

(¥ millions)

	Nine months ended September 30, 2010	Nine months ended September 30, 2011
Cash flows from financing activities		
Increase (decrease) in short-term loans payable	(14,027)	(23,001)
Increase (decrease) in commercial papers	44,998	84,994
Proceeds from long-term debt	41,594	129,609
Repayment of long-term debt	(103,574)	(90,952)
Proceeds from issuance of bonds	—	70,000
Payment for redemption of bonds	(4,880)	(5,063)
Payment to minority shareholders for capital reduction of consolidated subsidiaries	(2,058)	—
Proceeds from the settlements for the derivatives	12,585	—
Payment for purchases of treasury stock	(280)	(364)
Proceeds from sale of treasury stock	58	174
Cash dividends paid	(22,878)	(25,009)
Cash dividends paid to minority shareholders	(5,132)	(5,997)
Other	(1,331)	(4,283)
Net cash provided by (used in) financing activities	(54,925)	130,105
Effect of exchange rate fluctuation on cash and cash equivalents	(9,877)	(3,275)
Net increase (decrease) in cash and cash equivalents	(43,672)	35,732
Cash and cash equivalents at beginning of year	118,797	45,278
Net increase in cash and cash equivalents from merger of non-consolidated subsidiaries by consolidated subsidiaries	—	55
Cash and cash equivalents at end of period	75,125	81,065

#### (4) NOTES ON PREMISE OF GOING CONCERN

There is no matter that falls under this item.

#### (5) SEGMENT INFORMATION

(Segment information, etc.)

##### a. Business segment information

(¥ millions)

Nine months ended September 30, 2010							
	Alcohol Beverages	Soft Drinks and Foods	Pharmaceuticals	Others	Total	Eliminations or Corporate	Consolidated
Sales							
Unaffiliated customers	813,472	462,396	153,927	173,057	1,602,854	—	1,602,854
Inter-segment	20,776	4,483	167	25,194	50,621	(50,621)	—
Total sales	834,249	466,879	154,094	198,251	1,653,476	(50,621)	1,602,854
Operating income	84,329	9,024	28,900	6,432	128,687	(15,011)	113,675

##### Notes

- Business segments are classified based on business management framework in consideration of the type and nature of products.
- Main products by each business segment are as follows:

Business segment	Main products
Alcohol Beverages	Beer, sparkling malt liquor ( <i>happo-shu</i> ), new genre, whiskey, spirits, wine, engineering, logistics, etc.
Soft Drinks and Foods	Soft drinks, foods, health foods & functional foods, etc.
Pharmaceuticals	Pharmaceutical products
Others	Biochemical, chemical, etc.

##### b. Geographical segment information

(¥ millions)

(Y: Millions)						
Nine months ended September 30, 2010						
	Japan	Asia/ Oceania	Others	Total	Eliminations or Corporate	Consolidated
Sales						
Unaffiliated customers	1,273,749	282,077	47,027	1,602,854	—	1,602,854
Inter-segment	23,851	2,833	6,484	33,168	(33,168)	—
Total sales	1,297,601	284,910	53,511	1,636,023	(33,168)	1,602,854
Operating income	109,348	15,070	5,128	129,547	(15,871)	113,675

##### Notes

- Geographical distances are considered in classification by country or area.
- Major countries or areas included in each segment except for Japan are as follows:

Geographical segment	Major countries or areas
Asia/Oceania	East Asia, Southeast Asia, Oceania
Others	U.S.A.

##### c. Overseas sales

(¥ millions)

Nine months ended September 30, 2010			
	Asia/Oceania	Others	Total
Overseas sales	303,756	66,737	370,493
Consolidated sales	—	—	1,602,854
Percentage of overseas sales over consolidated sales	19.0%	4.1%	23.1%

##### Notes

- Geographical distances are considered in classification by country or area.
- Major countries or areas included in each segment are as follows:

Geographical segment	Major countries or areas
Asia/Oceania	East Asia, Southeast Asia, Oceania
Others	U.S.A.

- Overseas sales represent sales of the Company and its consolidated subsidiaries to countries and areas outside of Japan.

[Segment Information]

1. Summary of reportable segments

The reportable segments of the Kirin Group are constituent units of the Group whose separate financial information is obtainable. These segments are periodically examined by the Board of Directors for the purpose of deciding the allocation of management resources and evaluating the business results.

The Kirin Group comprises, under a holding company structure, various business companies including Kirin Brewery Company, Limited engaging in the Domestic Alcohol Beverages business, Kirin Beverage Company, Limited engaging in the Domestic Non-alcohol Beverages business, LION PTY LTD engaging in the Overseas Beverages business, and Kyowa Hakko Kirin Co., Ltd. engaging in the Pharmaceuticals and Biochemicals business. Each of these business companies work out a comprehensive strategy applicable to their products and services and carries out their business activities.

Consequently, the Kirin Group has decided its four reportable segments, namely, Domestic Alcohol Beverages, Domestic Non-alcohol Beverages, Overseas Beverages, and Pharmaceuticals and Biochemicals, by combining the business companies with the emphasis on the business company units and in consideration of the similarity of their economic characteristics.

“Domestic Alcohol Beverages” conducts production and sale of alcohol beverages, such as beer, sparkling malt liquor (*happo-shu*), new genre, whiskey, spirits and wine, and includes such businesses as engineering and logistics.

“Domestic Non-alcohol Beverages” conducts production and sale of soft drinks.

“Overseas Beverages” conducts production and sale of beer, whiskey, spirits, wine, soft drinks, dairy products, etc. in overseas.

“Pharmaceuticals and Biochemicals” conducts production and sale of pharmaceutical products, biochemical products, etc.

“Domestic Alcohol Beverages” and “Domestic Non-alcohol Beverages” include certain overseas companies.

2. Information regarding sales and income or loss amount by reportable segment

							(¥ millions)
Nine months ended September 30, 2011							
	Reportable Segment					Adjustment (Note 2)	Amount recorded in the consolidated statements of income (Note 3)
	Domestic Beverages		Overseas Beverages	Pharmaceuticals and Biochemicals	Others (Note 1)		
	Domestic Alcohol Beverages	Domestic Non-alcohol Beverages					
Sales							
Unaffiliated customers	636,370	236,301	347,699	254,084	74,723	—	1,549,179
Inter-segment	26,611	2,357	755	8,273	21,790	(59,788)	—
Total sales	662,981	238,658	348,455	262,358	96,514	(59,788)	1,549,179
Segment income	56,935	3,231	15,036	40,644	4,860	(738)	119,969

Notes

1. “Others” includes food business such as seasonings, and others.
2. The negative ¥738 million adjustment in segment income includes ¥14,539 million in inter-segment eliminations and negative ¥15,277 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 is adjusted for operating income described in the consolidated statements of income.

3. Information regarding loss on impairment of fixed assets or goodwill by reportable segment

There are no significant matters to report under this item.

Additional information

Effective from the first quarter ended March 31, 2011, the Company has applied the “Accounting Standard for Disclosures about Segments of an Enterprise and Related Information” (ASBJ Statement No. 17 of March 27, 2009) and the “Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information” (ASBJ Guidance No. 20 of March 21, 2008).

**(6) NOTES ON SIGNIFICANT CHANGES IN THE AMOUNT OF SHAREHOLDERS' EQUITY**

There is no matter that falls under this item.



## **Supplementary Documents to the Financial Statements for the Nine Months Ended September 30, 2011**

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**

**November 4, 2011**

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

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

(¥ billions)

	Nine months ended September 30, 2011, Actual	Nine months ended September 30, 2010, Actual	Increase (decrease)	
Sales	1,549.1	1,602.8	(53.6)	(3.3%)
Gross profit	639.4	638.0	1.3	0.2%
Selling, general and administrative expenses	519.4	524.3	(4.9)	(0.9%)
Operating income	119.9	113.6	6.2	5.5%
Non-operating income	17.0	16.5	0.5	3.4%
Non-operating expenses	21.4	22.7	(1.2)	(5.6%)
Ordinary income	115.5	107.4	8.1	7.6%
Special income	37.7	14.8	22.9	154.7%
Special expenses	68.2	45.8	22.3	48.7%
Income before income taxes and minority interests	85.0	76.3	8.7	11.4%
Income taxes	44.8	46.4	(1.5)	(3.3%)
Minority interests	13.3	5.7	7.5	131.3%
Net income	26.9	24.2	2.7	11.2%
EBITDA *	202.1	195.0	7.0	3.6%

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

		Nine months ended September 30, 2011, Actual	Nine months ended September 30, 2010, Actual	Increase (decrease)	
Sales	Excluding liquor tax	¥1,319.1 billion	¥1,350.4 billion	¥(31.3) billion	(2.3%)
Operating income	Prior to amortization of goodwill etc.	¥155.1 billion	¥144.7 billion	¥10.4 billion	7.2%
Operating income ratio	Excluding liquor tax, prior to amortization of goodwill etc.	11.8%	10.7%		
	Excluding liquor tax, after amortization of goodwill etc.	9.1%	8.4%		
Overseas ratio	Sales excluding liquor tax	31.4%	27.4%		
D/E ratio		0.99	0.92		

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

(¥)

	Nine months ended September 30, 2011, Actual	Nine months ended September 30, 2010, Actual
Lion - Alcohol Beverages (AUD)	84.11	81.12
Lion - Non-alcohol Beverages (AUD)		80.77
San Miguel Brewery (PHP)	1.90	1.98
Fraser and Neave (SD)	65.26	—

	Nine months ended September 30, 2011, Actual	Nine months ended September 30, 2010, Actual
Lion - Alcohol Beverages	From October 2010 to June 2011	From October 2009 to June 2010
Lion - Non-alcohol Beverages		From January 2010 to June 2010 *1
San Miguel Brewery		From October 2009 to June 2010
Fraser and Neave	From January 2011 to June 2011 *2	—

\*1 Due to the change of fiscal year-end, the three months ended March 31, 2010 is not included.

\*2 Included from the second quarter of the fiscal year ending December 31, 2011.

## 2. Sales Details

(¥ billions)

	Nine months ended September 30, 2011, Actual	Nine months ended September 30, 2010, Actual	Increase (decrease)	
Sales	1,549.1	1,602.8	(53.6)	(3.3%)
Domestic Alcohol Beverages	636.3	681.6	(45.2)	(6.6%)
Kirin Brewery (non-consolidated)	570.8	611.0	(40.2)	(6.6%)
Mercian	50.4	52.2	(1.8)	(3.4%)
Other and elimination	15.0	18.3	(3.2)	(17.7%)
Domestic Non-alcohol Beverages	236.3	269.4	(33.1)	(12.3%)
Kirin Beverage	238.3	267.6	(29.2)	(10.9%)
Other and elimination	(2.0)	1.8	(3.9)	—
Overseas Beverages	347.6	290.9	56.7	19.5%
Lion	322.1	265.4	56.6	21.3%
Alcohol Beverages	142.9	143.0	(0.1)	(0.1%)
Non-alcohol Beverages	179.2	122.4	56.7	46.4%
Other and elimination	25.5	25.4	0.1	0.5%
Pharmaceuticals and Biochemicals	254.0	299.6	(45.5)	(15.2%)
Kyowa Hakko Kirin	262.3	304.4	(42.0)	(13.8%)
Pharmaceutical	168.0	153.9	14.1	9.2%
Biochemical	56.2	57.3	(1.1)	(1.9%)
Chemical, etc.	38.0	93.1	(55.1)	(59.2%)
Other and elimination	(8.2)	(4.8)	(3.4)	—
Other	74.7	61.1	13.5	22.2%

(Reference) Sales excluding liquor tax

(¥ billions)

	Nine months ended September 30, 2011, Actual	Nine months ended September 30, 2010, Actual
Kirin Brewery (non-consolidated)	345.8	363.3

### 3. Profit Details

#### (1) Operating Income

	(¥ billions)		
	Nine months ended September 30, 2011, Actual	Nine months ended September 30, 2010, Actual	Increase (decrease)
Operating income	119.9	113.6	6.2
Domestic Alcohol Beverages	56.9	54.7	2.1
Kirin Brewery (non-consolidated)	63.6	63.7	(0.1)
Management fee, etc.	(9.1)	(9.7)	0.6
Total	54.5	53.9	0.5
Mercian	0.5	(1.8)	2.3
Management fee, etc.	(0.3)	—	(0.3)
Total	0.1	(1.8)	2.0
Others	2.2	2.6	(0.3)
Domestic Non-alcohol Beverages	3.2	3.1	0.1
Kirin Beverage	7.5	7.6	(0.1)
Management fee, etc.	(2.8)	(2.8)	0.0
Amortization of goodwill	(1.4)	(1.4)	—
Total	3.1	3.2	(0.1)
Others	0.0	(0.1)	0.2
Overseas Beverages	15.0	15.8	(0.8)
Lion (consolidated after reclassification)	13.4	13.9	(0.4)
Alcohol Beverages	35.5	36.7	(1.1)
Amortization of goodwill	(14.5)	(14.1)	(0.3)
Brand amortization	(4.9)	(4.7)	(0.1)
Total	16.0	17.8	(1.7)
Non-alcohol Beverages	7.7	4.4	3.3
Amortization of goodwill	(4.9)	(3.6)	(1.3)
Brand amortization	(2.1)	(1.9)	(0.2)
Total	0.6	(1.0)	1.7
Corporate expenses	(3.2)	(2.7)	(0.4)
Others	1.5	1.9	(0.3)
Pharmaceuticals and Biochemicals	40.6	35.8	4.8
Kyowa Hakko Kirin (consolidated after reclassification)	40.6	35.8	4.8
Pharmaceutical	33.1	26.8	6.3
Biochemical	3.0	2.8	0.1
Chemical, etc.	2.2	3.9	(1.6)
Elimination of amortization of goodwill	6.9	6.9	(0.0)
Amortization of goodwill	(4.7)	(4.7)	0.0
Other	4.8	6.0	(1.2)
Corporate expenses/inter-segment eliminations	(0.7)	(2.0)	1.2

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 (non-consolidated)	Decrease in marginal profit of alcohol beverages	(15.4)	Sales decrease in beer (28) thousand KL, (3.8) Sales decrease in <i>happo-shu</i> (50) thousand KL, (5.2) Sales decrease in new genre (12) thousand KL, (1.3) Sales decrease in RTD (7) thousand KL, (0.8) Difference of change in products mix, etc.
	Decrease in raw material cost of alcohol beverages	0.5	Decrease in price of malt 1.2, Decrease in price for packing materials 0.3, Increase in cost of sugar and liquid sugar (0.5), etc.
	Decrease in selling cost	7.1	Decrease in sales promotion and advertising expenses 7.0, etc. (Beer, <i>happo-shu</i> and new genre 6.8, RTD (0.2), etc.)
	Decrease in other expenses	8.3	Decrease in labor cost 1.0, Decrease in depreciation 1.5, Decrease in electric cost and fuel cost 0.6, Decrease in public relations expenses 0.5, Decrease in repair expenses 0.3, Decrease in management fee, etc. 0.6, Transfer amount of loss related to the Great East Japan Earthquake 2.5, etc.
Total		0.5	
Kirin Beverage *	Difference in volume of sales	(3.0)	Decrease in domestic sales volume (2.70) million cases
	Cost increase	(0.7)	Increase in raw material cost (2.7), Decrease in raw material cost 2.0
	Decrease due in change of composition ratio of containers, etc.	(2.9)	
	Decrease in selling cost	4.1	Decrease in sales promotion and advertising expenses 3.5, Decrease in transportation cost 0.5
	Decrease in other expenses	2.4	Decrease in depreciation 0.8, Decrease in miscellaneous expenses 0.4, Decrease in sales equipment cost 0.3, Decrease in repair expenses 0.1, etc.
Total		(0.1)	

\* Koiwai Dairy Products Co., Ltd. is included in "Other" from 2011 fiscal year.

## Major operating expenses

(¥ billions)

		Nine months ended September 30, 2011, Actual	Nine months ended September 30, 2010, Actual
Sales promotion expenses		107.1	113.2
Advertising expenses		44.2	50.4
Kirin Brewery (non-consolidated)	Sales promotion and advertising expenses	50.2	57.2
Kirin Beverage	Sales promotion and advertising expenses	72.6	80.2
Research and development expenses		41.5	40.6
Kyowa Hakko Kirin (excluding internal transaction)		33.6	32.0

## (2) Ordinary Income and Net Income

(¥ billions)

	Nine months ended September 30, 2011, Actual	Nine months ended September 30, 2010, Actual	Increase (decrease)	Description of changes
Non-operating income and expenses	(4.4)	(6.2)	1.8	Equity in earnings or losses of local affiliates (4.1), etc. Equity in earnings or losses of local affiliates 3.2, Amortization of goodwill (0.8), etc. Kirin-Amgen, Inc. 0.4, etc.
Financial profit or loss, net	(9.6)	(13.0)	3.3	
Equity in earnings or losses of affiliates	7.9	9.7	(1.8)	
San Miguel Brewery	0.4	4.5	(4.1)	
Fraser and Neave	2.4	—	2.4	
Others	5.0	5.1	(0.0)	
Foreign currency translation gain or loss	(2.0)	(3.4)	1.3	
Other	(0.5)	0.4	(1.0)	
Ordinary income	115.5	107.4	8.1	
Special income and expenses	(30.4)	(31.0)	0.5	
Special income	37.7	14.8	22.9	
Gain on sale of fixed assets	16.2	3.6	12.5	
Gain on sale of investment securities	1.6	7.1	(5.5)	
Gain on sale of shares of subsidiaries and affiliates	15.5	0.1	15.4	
Other	4.3	3.8	0.4	
Special expenses	(68.2)	(45.8)	(22.3)	
Loss on retirement of fixed assets	(1.7)	(3.7)	2.0	
Loss on sale of fixed assets	(0.7)	(0.4)	(0.3)	
Loss on impairment	(6.8)	—	(6.8)	
Loss on devaluation of investment securities	(22.3)	(3.3)	(19.0)	
Loss on sale of investment securities	—	(0.1)	0.1	
Loss on sale of shares of subsidiaries and affiliates	(4.1)	(6.3)	2.2	
Loss on reversal of foreign currency translation adjustments due to liquidation of a foreign subsidiary	—	(7.5)	7.5	
Loss on revision of retirement benefit plan	—	(6.9)	6.9	
Loss on prior periods adjustment	—	(5.3)	5.3	
Business restructuring expense	(4.2)	(2.0)	(2.2)	
Loss related to the Great East Japan Earthquake	(18.4)	—	(18.4)	
Other	(9.6)	(9.9)	0.3	
Income taxes	(44.8)	(46.4)	1.5	
Minority interests	(13.3)	(5.7)	(7.5)	
Net income	26.9	24.2	2.7	

#### 4. Summary of Consolidated Balance Sheets

(¥ billions)

	As of September 30, 2011	As of December 31, 2010	Increase (decrease)	Description of changes
Current Assets	654.6	727.0	(72.4)	
Cash	85.5	51.4	34.1	
Notes and accounts receivable, trade	308.8	415.2	(106.4)	Decrease due to the year-end of previous year being a bank holiday, etc.
Inventories	191.3	187.8	3.5	
Other	68.8	72.5	(3.6)	
Fixed Assets	2,080.5	1,922.1	158.4	
Property, Plant and Equipment	686.6	739.2	(52.5)	Decrease due to sales of chemical business, etc.
Intangible Assets	700.8	658.3	42.5	
Goodwill	588.5	562.4	26.0	Increase due to new consolidated subsidiaries, etc.
Other	112.3	95.8	16.4	Increase due to new consolidated subsidiaries, etc.
Investments and Other Assets	693.0	524.5	168.5	Increase due to new consolidated subsidiaries, etc.
TOTAL ASSETS	2,735.2	2,649.1	86.0	
Current Liabilities	658.7	679.6	(20.9)	
Notes and accounts payable, trade	129.4	169.0	(39.5)	Decrease due to sales of chemical business, etc.
Interest-bearing liabilities	260.6	196.1	64.4	Increase due to issue of commercial papers by Kirin Holdings, etc.
Other	268.6	314.5	(45.8)	Decrease in liquor taxes payable due to the year-end of previous year being a bank holiday, etc.
Long-term Liabilities	916.9	810.4	106.4	
Interest-bearing liabilities	690.0	582.7	107.2	Increase due to issue of corporate bonds by Kirin Holdings, etc.
Other	226.8	227.6	(0.7)	
TOTAL LIABILITIES	1,575.6	1,490.1	85.5	
Shareholders' Equity	1,003.7	1,001.9	1.7	
Valuation and Translation Adjustments	(44.9)	(39.5)	(5.4)	
Subscription rights to shares	0.2	0.2	0.0	
Minority interests	200.6	196.3	4.2	
TOTAL NET ASSETS	1,159.6	1,159.0	0.5	
TOTAL LIABILITIES AND NET ASSETS	2,735.2	2,649.1	86.0	



## 5. Summary of Consolidated Statements of Cash Flows

### (1) Summary of Statements of Cash Flows

(¥ billions)

	Nine months ended September 30, 2011, Actual	Nine months ended September 30, 2010, Actual	Increase (decrease)
Cash flows from operating activities	161.3	166.8	(5.5)
Income before income taxes and minority interests	85.0	76.3	8.7
Depreciation and amortization	76.5	76.9	(0.3)
Amortization of goodwill	28.1	25.7	2.4
Other	(28.4)	(12.2)	(16.2)
Cash flows from investing activities	(252.4)	(145.7)	(106.7)
Capital expenditures	(61.8)	(84.4)	22.5
Other	(190.5)	(61.2)	(129.2)
Cash flows from financing activities	130.1	(54.9)	185.0
Increase (decrease) in interest-bearing liabilities	165.5	(35.8)	201.4
Cash dividends paid	(31.0)	(28.0)	(2.9)
Other	(4.4)	8.9	(13.4)
Translation adjustments	(3.2)	(9.8)	6.6
Net increase (decrease) in cash and cash equivalents	35.7	(43.6)	79.4

### (2) Information by Segment

Nine months ended September 30, 2011, Actual

(¥ billions)

	Domestic Alcohol Beverages	Domestic Non-alcohol Beverages	Overseas Beverages	Pharmaceuticals and Biochemicals	Other	Adjustment	Total
Depreciation and amortization (including brand amortization)	23.6	9.0	20.4	16.2	6.2	0.9	76.5
Amortization of goodwill	0.1	2.0	19.8	5.5	0.5	—	28.1
Capital expenditures	24.8	6.4	14.4	12.1	3.3	0.5	61.8
EBITDA *	69.0	12.2	52.2	63.9	14.0	(9.3)	202.1

Nine months ended September 30, 2010, Actual

(¥ billions)

	Domestic Alcohol Beverages	Domestic Non-alcohol Beverages	Overseas Beverages	Pharmaceuticals and Biochemicals	Other	Adjustment	Total
Depreciation and amortization (including brand amortization)	26.1	10.3	16.6	16.2	6.2	1.3	76.9
Amortization of goodwill	0.1	2.0	17.9	5.1	0.3	—	25.7
Capital expenditures	26.1	7.6	12.6	27.2	2.2	8.3	84.4
EBITDA *	69.9	14.3	51.3	55.6	12.4	(8.7)	195.0

\* 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)

Nine months ended September 30, 2011, Actual

<Consolidated subsidiaries>

	(¥ billions)				
	Sales	Operating income	Ordinary income	Net income	Consolidated net income
Kyowa Hakko Kirin	262.3	38.3	38.9	22.6	11.4
Elimination of amortization of goodwill		6.9	6.9	6.9	3.5
Amortization of goodwill		(4.7)	(4.7)	(4.7)	(4.7)
Total included in consolidation	262.3	40.6	41.2	24.9	10.3

<Affiliates accounted for by the equity method>

	(¥ billions)				
	Sales	Operating income	Ordinary income	Net income	Consolidated net income
San Miguel Brewery	103.2	29.0	24.2	12.6	6.1
Equity in earnings or losses of local affiliates			6.1	6.1	6.1
Brand amortization			(1.2)	(1.2)	(1.2)
Amortization of goodwill			(4.4)	(4.4)	(4.4)
Total included in consolidation			0.4	0.4	0.4

### (2) Net Sales and Operating Income on a Local Currency Basis of Lion (consolidated after reclassification)

	(AUD millions)			
	Nine months ended September 30, 2011, Actual	Nine months ended September 30, 2010, Actual	Increase (decrease)	
Sales	3,829	3,279	550	16.8%
Alcohol Beverages	1,699	1,762	(63)	(3.6%)
Non-alcohol Beverages	2,130	1,516	614	40.5%
Operating income (Prior to amortization of goodwill and brand)	476	473	3	0.7%
Alcohol Beverages	422	452	(30)	(6.6%)
Non-alcohol Beverages	92	54	37	68.1%
Corporate expenses	(38)	(34)	(3)	—

### (3) Sales Details of Major Business Companies

#### a. Kirin Brewery

	Nine months ended September 30, 2011		Nine months ended September 30, 2010	
	Actual	Increase (decrease)	Actual	Increase (decrease)
Sales volume	Thousand KL		Thousand KL	
Beer	521	(5.1%)	549	(5.9%)
<i>Happo-shu</i>	445	(10.1%)	495	(8.6%)
New genre	535	(2.2%)	547	3.2%
Sub-total	1,502	(5.7%)	1,593	(3.8%)
RTD	141	(4.9%)	148	0.6%
Beer-taste beverages	41	(31.5%)	61	76.0%
Breakdown of sales	¥ billions		¥ billions	
Beer	215.3	(5.3%)	227.3	(5.6%)
<i>Happo-shu</i>	135.9	(10.1%)	151.2	(8.6%)
New genre	140.5	(2.2%)	143.6	3.2%
Sub-total	491.8	(5.8%)	522.2	(4.3%)
RTD	38.8	(4.8%)	40.8	1.9%
<i>Shochu</i> , Whiskey and Spirits, etc. *	40.0	(16.5%)	47.9	10.8%
Total sales	570.8	(6.6%)	611.0	(2.9%)

The above sales volume and sales include exports.

\* This item includes sales of non-alcohol beverages to Group companies.

## b. Kirin Beverage Group

### <Category>

Non-alcohol beverages			Nine months ended September 30, 2011				Nine months ended September 30, 2010			
			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	1,581	12%	(159)	91%	1,740	13%	(202)	90%
		Oolong tea	201	1%	(21)	91%	222	2%	(16)	93%
		Black tea	3,427	26%	268	108%	3,159	23%	388	114%
		Sub-total	5,209	39%	88	102%	5,121	38%	170	103%
	Coffee		2,319	17%	(155)	94%	2,474	18%	(229)	92%
	Fruit and vegetable juice		1,352	10%	(255)	84%	1,607	12%	(176)	90%
	Carbonated beverage		586	4%	(233)	72%	819	6%	143	121%
	Water		2,603	20%	367	116%	2,236	16%	(418)	84%
	Other		940	7%	(82)	92%	1,022	6%	(118)	90%
	Domestic non-alcohol beverage market total		13,009	97%	(270)	98%	13,279	96%	(628)	95%
Overseas non-alcohol beverage market total			433	3%	(86)	83%	519	4%	(44)	92%
Non-alcohol beverages total			13,442	100%	(356)	97%	13,798	100%	(672)	95%

### <Container Type>

Non-alcohol beverages			Nine months ended September 30, 2011				Nine months ended September 30, 2010			
			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	3,125	23%	(187)	94%	3,312	24%	(238)	93%
PET bottles	Large-sized PET bottles	2L	2,726	21%	450	120%	2,276	16%	(369)	86%
		1.5L, 1L, 900ml, 750ml	1,112	8%	(9)	99%	1,121	8%	(74)	94%
		Large-sized PET bottles total	3,838	29%	441	113%	3,397	24%	(443)	88%
	Small-sized PET bottles	500ml	3,655	27%	(276)	93%	3,931	29%	14	100%
		350ml or less	1,028	8%	56	106%	972	7%	113	113%
		Small-sized PET bottles total	4,683	35%	(220)	96%	4,903	36%	127	103%
	PET bottles total		8,521	64%	221	103%	8,300	60%	(316)	96%
Other containers	One-way/Returnable bottles, paper, gifts, etc.		1,363	10%	(304)	82%	1,667	12%	(74)	96%
Overseas non-alcohol market total			433	3%	(86)	83%	519	4%	(44)	92%
Non-alcohol beverages total			13,442	100%	(356)	97%	13,798	100%	(672)	95%

c. Kyowa Hakko Kirin

Sales		Nine months ended September 30, 2011		Nine months ended September 30, 2010	
		Actual	Percentage over the previous year	Actual	Percentage over the previous year
Area	Major product name	¥ billions		¥ billions	
Nephrology	NESP <sup>®</sup>	40.4	143%	28.1	112%
	ESPO <sup>®</sup>	4.0	47%	8.7	88%
	[NESP <sup>®</sup> / ESPO <sup>®</sup> ]	[44.4]	[121%]	[36.8]	[105%]
	REGPARA <sup>®</sup>	8.2	122%	6.7	143%
Immunology / allergology	Allelock <sup>®</sup>	22.2	116%	19.1	94%
	Patanol <sup>®</sup>	9.8	164%	6.0	94%
Oncology	GRAN <sup>®</sup> / Neu-up <sup>®</sup> *	10.5	94%	11.1	92%
Cardiovascular system	Coniel <sup>®</sup>	14.3	93%	15.3	91%

\* The manufacturing and sales right of Neu-up<sup>®</sup> was taken over by YAKULT HONSHA CO., LTD. as of March 1, 2010.