ASAHI GROUP HOLDINGS

Q3 2021
Financial Results Presentation

Asahi

November 2021

2021 Q3 Financial Results Highlights (Constant Currency Basis)

◆ **Core Operating Profit for Q3 (Jan-Sep) increased by 15.7% driven by Overseas, but was below the plan mainly due to Alcohol Beverages and Soft Drinks.**

- ・Alcohol Beverages: YoY decline in revenue and profit due to the sluggish on-premise market and sales decrease caused by bad weather, despite promoting sales for the off-premise channel.
- ・Soft Drinks: YoY increase in revenue and profit due to higher unit sales price resulting from improved mix, despite lower sales volume caused by bad weather in the peak season.
- ・Food: YoY increase in revenue and profit as a result of strengthening sales in growing categories and improving efficiency of fixed costs, despite the sales decrease of *Mintia*.
- ・Overseas: YoY increase in revenue and profit due to the recovery of the on-premise sales in Europe with lifting of restrictions and the strong performance in Oceania including the effect of CUB consolidation.

◆ **Revised full-year forecast downward by JPY 10.4 billion from the previous forecast, in light of underachievement of Alcohol Beverages, Soft Drinks, and Overseas in July-September.**

<Revenue and Core operating profit> *constant currency basis (based on previous year's FX rates) (JPY billion)

	2021 Q3 (9 months ended Sep 30)	YoY (Amount / %)		2021 forecast (announced on Nov 10)	YoY (Amount / %)		vs Prev. forecast (announced on Aug 10)
Alcohol Beverages Business	503.5	- 44.6	- 8.1%	724.5	- 22.5	- 3.0%	- 17.7
Soft Drinks Business	271.3	0.9	0.3%	359.2	5.8	1.6%	- 6.9
Food Business	91.7	1.8	2.0%	124.6	1.2	0.9%	- 4.0
Overseas Business	680.0	122.1	21.9%	946.7	153.8	19.4%	- 1.5
Other Business	75.7	- 1.1	- 1.5%	105.9	1.2	1.1%	-
Adjustmenet (corporate and elimination)	- 68.9	2.8	-	- 94.8	- 1.1	-	0.2
Revenue	1,553.3	81.9	5.6%	2,166.1	138.4	6.8%	- 30.0
Alcohol Beverages Business	46.0	- 16.1	- 26.0%	70.6	- 12.4	- 14.9%	- 4.4
Soft Drinks Business	27.1	3.0	12.3%	33.0	5.2	18.5%	- 2.6
Food Business	9.0	0.5	6.0%	11.3	0.3	2.8%	-
Overseas Business	104.4	37.3	55.6%	145.3	51.2	54.4%	- 2.6
Other Business	- 0.8	0.5	-	- 1.2	- 0.1	-	-
Adjustmenet (corporate and elimination)	- 18.4	- 2.1	-	- 26.7	- 5.3	-	- 1.0
Amortization of acquisition-related intangible assets	- 21.5	- 3.3	-	- 28.9	- 3.4	-	0.3
Core Operating Profit	145.8	19.8	15.7%	203.4	35.5	21.2%	- 10.4

Financial Results Highlights (Actual Currency Basis)

<Revenue and Core operating profit (actual currency basis) >

(JPY billion)

	2021 Q3 (9 months ended Sep 30)			2021 forecast (announced on Nov 10)			vs Prev. forecast (announced on Aug 10)
		YoY (Amount / %)			YoY (Amount / %)		
Alcohol Beverages Business	503.5	- 44.6	- 8.1%	724.5	- 22.5	- 3.0%	- 17.7
Soft Drinks Business	271.3	0.9	0.3%	359.2	5.8	1.6%	- 6.9
Food Business	91.7	1.8	2.0%	124.6	1.2	0.9%	- 4.0
Overseas Business	747.0	189.1	33.9%	1,026.6	233.6	29.5%	- 1.6
Other Business	75.7	- 1.1	- 1.5%	105.9	1.2	1.1%	-
Adjustmenet (corporate and elimination)	- 68.9	2.8	-	- 94.8	- 1.1	-	0.2
Revenue	1,620.3	148.9	10.1%	2,246.0	218.2	10.8%	- 30.0
Alcohol Beverages Business	46.0	- 16.1	- 26.0%	70.6	- 12.4	- 14.9%	- 4.4
Soft Drinks Business	27.1	3.0	12.3%	33.0	5.2	18.5%	- 2.6
Food Business	9.0	0.5	6.0%	11.3	0.3	2.8%	-
Overseas Business	114.7	47.6	71.0%	158.0	63.9	67.9%	- 2.8
Other Business	- 0.8	0.5	-	- 1.2	- 0.1	-	-
Adjustmenet (corporate and elimination)	- 18.4	- 2.1	-	- 26.7	- 5.3	-	- 1.0
Amortization of acquisition-related intangible assets	- 23.3	- 5.1	-	- 31.0	- 5.5	-	0.3
Core Operating Profit	154.3	28.3	22.5%	214.0	46.2	27.5%	- 10.5
Operating profit	172.3	59.2	52.3%	211.5	76.3	56.5%	- 10.5
Profit attributable to owners of parent	124.6	48.5	63.7%	148.5	55.7	60.0%	- 7.5

【Revenue】

・Q3: +10.1% YoY increase in total, below the plan mainly due to lower sales in Alcohol Beverages, despite increase in Overseas including the contribution of CUB consolidation and yen depreciation.

・2021 forecast: Revised downward by JPY 30.0 billion in total from the previous forecast due to the downward revisions in each business.

【Core Operating Profit】

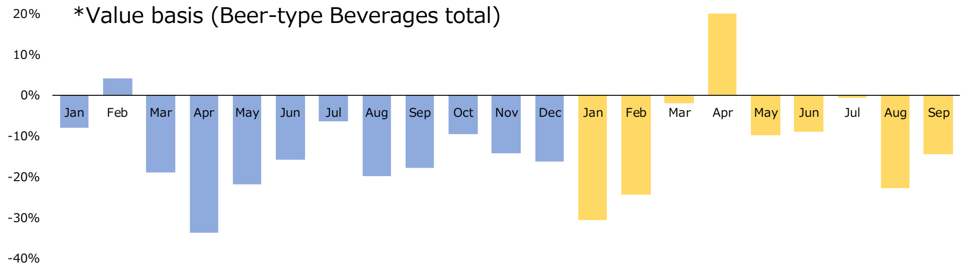
・Q3: +22.5% YoY increase in total, below the plan mainly due to lower profit from lower sales volume in Alcohol Beverages, despite increase in Soft Drinks, Food, and Overseas.

・2021 forecast: Revised downward by JPY 10.5 billion in total from the previous forecast mainly due to the downward revisions in Alcohol Beverages, Soft Drinks, and Overseas.

Sales Trend by Region

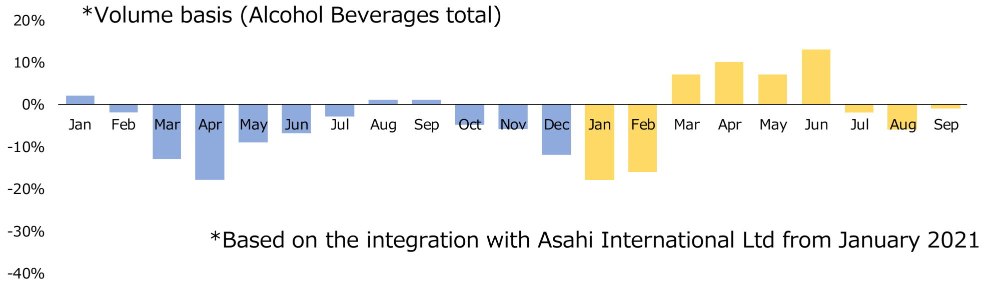
◆ Monthly Sales in the Key Businesses (January 2020 - September 2021)

【Alcohol Business (Japan)】 Jan-Sep 2021 Revenue: -10% YoY



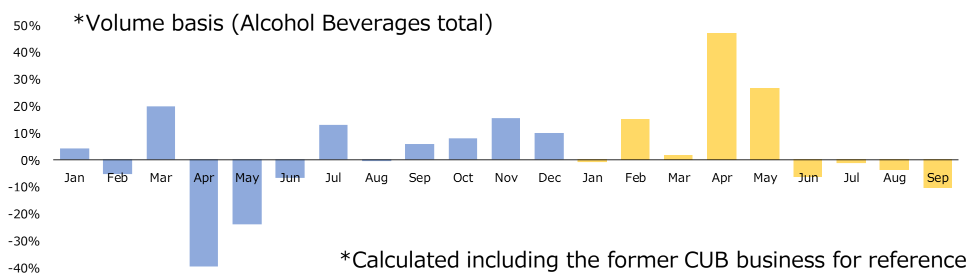
- State of emergency has been re-declared in some areas since January of this year.
- Sales recovered with lifting of state of emergency in late March as well as impact of launch of *Asahi Super Dry Nama Jokki Can* in April.
- Bars and restaurants were requested to stop serving alcohol after another state of emergency was declared in some areas from late April.
- The declaration was lifted in some areas in June, but was re-declared in July.

【European Business】 Jan-Sep 2021 Volume: ±0% YoY



- At the beginning of the year, sales volume was affected by the restrictions related to COVID-19. Situation in March 2021 vs March 2020 saw improved results even though both periods impacted by lock-down restrictions with business adapting well to the new trading environment.
- Gradual re-opening of On-Trade since April/May.
- In June, strong YoY growth was achieved despite some restrictions still in place.
- European summer (July-August), challenging vs PY with worse weather impacting demand, with September results stronger than PY to improve profitability.

【Australian Business】 Jan-Sep 2021 Volume: +mid single digit



- In April and May of this year, there was a large increase due to the last year's lockdown.
- Sydney and Melbourne were under lockdown from late June and from July, respectively, and pubs and restaurants were closed except for take-out.
- Lockdowns in Sydney and Melbourne were lifted in October with the increase in vaccination rates, and pubs and restaurants reopened. While some restrictions remain, the state governments are planning to ease restrictions.

Alcohol Beverages Business (Revenue of Beer-typed/Sales Volume by Brands)

<Sales Volume by Brands> (Millions of cases)

	2021 Q3 (9 months ended Sep 30)			2021 forecast (announced on Nov 10)			
		YoY (Amount / %)			YoY (Amount / %)		vs Prev. forecast
Super Dry	40.54	- 5.47	- 11.9%	61.00	- 4.17	- 6.4%	- 3.00
Style Free	9.12	0.51	5.9%	12.50	0.85	7.3%	-
Clear Asahi	11.45	- 2.26	- 16.5%	15.50	- 2.18	- 12.3%	-

*Super Dry sales by container (Bottle-39%, Can+6%, Keg-41%)

<Revenue of Beer-type beverages> (JPY billion)

	2021 Q3 (9 months ended Sep 30)			2021 forecast (announced on Nov 10)			
		YoY (Amount / %)			YoY (Amount / %)		vs Prev. forecast
Beer-type Beverages Total	371.3	- 39.0	- 9.5%	544.2	- 17.2	- 3.1%	- 13.5

<Market Trend> (Volume basis)

	Q3 YoY	2021 Est. YoY
Beer	-4～5%	-1～2%
Happoshu	+2～3%	+3～4%
New Genre	-15～16%	-10～11%
Total	Approx. -9%	Approx. -5%

【Market Total】

・YoY contraction by about -9% in the volume mainly due to the contraction of the on-premise and New Genre market, despite the expansion of the Beer-can and Happoshu market.

【Revenue/Sales Volume by Brands】

<Q3>

・YoY decline by -9.5% due to the sales decrease in the on-premise channel and the scale reduction of traditional events with the contraction of New Genre market.

<Asahi Super Dry> YoY decline by -11.9% due to the decrease in the on-premise channel, despite strengthening sales promotion in the off-premise channel, including the launch of *Nama Jokki Can*.

<Style Free> YoY increase by +5.9% due to the effective promotion to respond the growing health consciousness.

<Clear Asahi> YoY decline by -16.5% due to the market contraction and the rebound from temporary demand before liquor tax revision last year, despite initiatives to strengthen the brand.

<2021 Forecast>

・Revised downward by JPY 13.5 billion due to the contraction of the on-premise market at the peak season and New Genre market.

<Asahi Super Dry> Revised downward by 3 million cases due to the contraction of the on-premise market caused by the declaration, extension and enlarging of the state of emergency.

<Style Free> Forecast unchanged due to the enhanced promotion to meet the growing health consciousness.

<Clear Asahi> Forecast unchanged due to the strengthening sales promotion, despite the contraction of New Genre market.

Alcohol Beverages Business (Revenue)

<Revenue> (JPY billion)

	2021 Q3 (9 months ended Sep 30)			2021 forecast (announced on Nov 10)			vs Prev. forecast (announced on Aug 10)
		YoY (Amount / %)			YoY (Amount / %)		
Asahi Breweries Revenue	502.3	- 44.5	- 8.1%	722.9	- 22.4	- 3.0%	- 17.7
Other/elimination in segment	1.1	- 0.1	- 8.7%	1.6	- 0.1	- 6.3%	0.1
Revenue total	503.5	- 44.6	- 8.1%	724.5	- 22.5	- 3.0%	- 17.7

<Reference: Revenue by category (before rebate deduction)>

Whiskey and spirits	33.9	- 3.8	- 10.1%	47.4	- 5.1	- 9.8%	- 0.2
RTD low-alcohol beverages	26.8	- 8.3	- 23.6%	38.1	- 8.2	- 17.7%	- 2.6
Wine	28.6	1.9	6.9%	41.0	0.8	2.0%	0.6
Shochu	14.3	- 2.7	- 15.9%	20.2	- 3.1	- 13.3%	- 0.1
Non-alcohol beverages	29.7	6.0	25.3%	40.9	8.8	27.4%	- 3.3

【Revenue of Other Alcohol Beverages】

<Q3>

- YoY decline in total due to the sales decrease in each category in the on-premise channel, despite the strong performance of Wine category of ENOTECA.
- +25.3% YoY increase in Non-alcohol beverages due to the strong sales of *Asahi Dry Zero* and the new launch of minimal alcohol beverages.

<2021 Forecast>

- Revised downward for all other alcohol categories except Wine due to the sales decrease in the on-premise channel.
- Revised downward for Non-alcohol beverages due to the plan revisions of minimal alcohol beverages, despite the forecast unchanged for *Asahi Dry Zero.*

<Core Operating Profit>

(JPY billion)

	2021 Q3 (9 months ended Sep 30)	YoY (Amount / %)		2021 forecast (announced on Nov 10)	YoY (Amount / %)		vs Prev. forecast (announced on Aug 10)
Change in sales, category and container mix	-	- 10.7		-	- 0.7		- 6.6
Cost reduction in manufacturing	-	2.1		-	2.8		- 0.5
Cost increase in manufacturing	-	- 1.7		-	- 2.6		- 0.0
Advertisement and Sales promotion expenses	-	- 7.7		-	- 12.0		0.9
Other expenses	-	1.9		-	0.1		1.9
Asahi Breweries	45.8	- 16.1	- 26.0%	70.5	- 12.3	- 14.8%	- 4.4
Other/elimination in segment	0.2	- 0.0	- 20.9%	0.1	- 0.1	- 36.5%	0.0
Core Operating Profit	46.0	- 16.1	- 26.0%	70.6	- 12.4	- 14.9%	- 4.4

【Q3: Factors Contributing to Increase/Decrease】(JPY billion)

<Breakdown of Main Factors>

- Change in sales and others: -10.7 (Sales volume decrease in beer-type -15.8, Sales decrease in other alcohol beverages -0, Change in category and container mix, etc.)
- Cost reduction in manufacturing: +2.1 (Raw materials +0.5, Other than beer-typed +0.6, Utilities +0.1, Disposal +0.4, etc.)
- Cost increase in manufacturing: -1.7 (Raw materials -1.0, In other than beer -0.2, Transportation -0.4, etc.)
- Increase in sales promotion expenses : -7.7 (Advertisement -7.8, Promotion +0) (Beer-type -5.0, Other -2.8)
- Other expenses:+1.9 (HR +0.7, Depreciation +0.5, Equipment for selling +1.7, Others -1.0)

【2021 Forecast: Factors Contributing to Increase/Decrease】(JPY billion)

<Breakdown of Main Factors>

- Change in sales and others:-0.7 (Sales volume decrease in beer-type -7.9, Sales increase in other alcohol beverages +0.9, Change in category and container mix, etc.)
- Cost reduction in manufacturing: +2.8 (Raw materials +0.8, Other than beer-type +0.7, Disposal +0.5, Transportation +0.3, etc.)
- Cost increase in manufacturing: -2.6 (Raw materials -1.4, Transportation -0.7 and others, etc.)
- Increase in sales promotion expenses: -12.0 (Advertisement -12.8, Promotion expenses +0.9) (Beer-type -6.9, Other -5.1)
- Other expenses: +0.1 (HR +0.3, Depreciation +0.5, Equipment for selling +2.0, Others -2.6)

2021 forecast: Revised downward by JPY 4.4 billion due to the sales decrease of the beer-typed, despite efforts to improve overall cost efficiency

Soft Drinks Business (Sales Volume)

<Sales Volume>

(Millions of cases)

	2021 Q3 (9 months ended Sep 30)	YoY (Amount / %)		2021 forecast (announced on Nov 10)	YoY (Amount / %)		vs Prev. forecast
Carbonated drinks	62.17	0.37	0.6%	81.10	2.90	3.7%	- 1.40
Lactic acid drinks	33.00	- 1.38	- 4.0%	42.75	- 1.04	- 2.4%	- 1.55
Coffee	25.88	0.15	0.6%	35.85	0.39	1.1%	- 0.85
Tea	27.90	0.71	2.6%	36.15	1.09	3.1%	- 0.65
Mineral Water	11.76	- 1.19	- 9.2%	15.45	- 1.02	- 6.2%	0.15
Fruit juice	10.62	- 0.04	- 0.4%	14.15	- 0.18	- 1.3%	0.35
Other drinks	18.81	- 0.19	- 1.0%	25.20	- 0.16	- 0.6%	- 1.40
Sales Volume	190.12	- 1.59	- 0.8%	250.65	1.97	0.8%	- 5.35

<Market Trend>

	Q3 YoY	2021 Est. YoY
Carbonated drinks	Approx. 1%	-
Lactic acid drinks	Approx. -6%	-
Coffee	Approx. 0%	-
Tea	Approx. 1%	-
Mineral Water	Approx. 1%	-
Fruit juice	Approx. -1%	-
Other drinks	-	-
Sales Volume	Approx. 0%	Approx. 1%

*Source: Inryou-souken

<Sales Volume by Brands>

	2021 Q3 (9 months ended Sep 30)	YoY (Amount / %)	
MITSUYA CIDER	32.87	0.13	0.4%
WILKINSON	23.41	0.56	2.5%
CALPIS	28.53	- 1.14	- 3.8%
WONDA	24.42	0.13	0.5%
JUROKUCHA	17.05	0.17	1.0%
OISHII MIZU	11.76	- 1.19	- 9.2%

<By container type>

Jan - Sep	YoY
Can	- 0.9%
PET total	0.1%
Large PET	- 6.3%
Small PET	3.4%
Glass bottle	- 23.8%

<By channel>

Jan - Sep	YoY
Vending machine	1.0%
CVS	- 3.4%
SM	- 2.6%

【Market Total】

・YoY same level mainly due to the impact of poor weather conditions during peak season, despite the recovery in the H1 by the rebound from the impact of COVID-19 last year.

【Asahi Soft Drinks Sales Volume】

・Q3: YoY decrease by -0.8% due to the decrease of Lactic acid drinks and Mineral Water, despite the strong sales of Carbonated drinks and Tea.

・2021 Forecast: Revised downward by -5.35 million cases in total due to the unpredictable weather conditions leading to the sales decrease of Lactic acid drinks and Carbonated drinks.

Soft Drinks Business (Core OP)

<Core Operating Profit>

(Millions of cases / JPY billion)

	2021 Q3 (9 months ended Sep 30)	YoY (Amount / %)		2021 forecast (announced on Nov 10)	YoY (Amount / %)		vs Prev. forecast (announced on Aug 10)
Sales Volume Total	190.12	- 1.59	- 0.8%	250.65	1.97	0.8%	- 5.35
Revenue Total	271.3	0.9	0.3%	359.2	5.8	1.6%	- 6.9
Change in sales, category and container mix	-	3.5		-	5.7		- 4.2
Cost reduction in manufacturing	-	2.4		-	3.0		0.2
Cost increase in manufacturing	-	- 0.5		-	- 0.8		0.0
Advertisement and Sales promotion expenses	-	- 1.1		-	- 0.9		0.2
Other expenses	-	- 1.3		-	- 1.8		1.2
Asahi Soft Drinks	27.1	3.0	12.3%	33.0	5.2	18.5%	- 2.6
Other/elimination in segment	-	-	-	-	-	-	-
Core Operating Profit	27.1	3.0	12.3%	33.0	5.2	18.5%	- 2.6

【Q3: Factors Contributing to Increase/Decrease】(JPY billion)

<Breakdown of Main Factors>

- Change in sales and others: +3.5 (Increase in sales volume +2.6, Change in category and container mix, etc.)
- Cost reduction in manufacturing: +2.4 (Raw materials +0.2, Packages +1.5, operational efficiency / in-house production +0.7, etc.)
- Cost increase in manufacturing: -0.5 (Raw materials -0.1, Packages -0.4, etc.)
- Change in sales promotion expenses: -1.1 (Advertisement -0.2, Promotion expense -0.9)

【2021: Factors Contributing to Increase/Decrease】(JPY billion)

<Breakdown of Main Factors>

- Change in sales and others: +5.7 (Increase in sales volume +4.6, Change in category and container mix, etc.)
- Cost reduction in manufacturing: +3.0 (Raw materials +0.3, Packages +1.7, operational efficiency / in-house production +1.0)
- Cost increase in manufacturing: -0.8 (Raw materials -0.2, Packages -0.6)
- Change in sales promotion expenses: -0.9 (Advertisement -0.5, Promotion expenses -0.4)

2021 forecast: Revised downward by JPY 2.6 billion due to the worsening mix and sales decrease conditions during peak season, despite efforts to improve efficiency of overall fixed costs.

Food Business (Revenue/Core OP)

<Revenue>

(JPY billion)

	2021 Q3 (9 months ended Sep 30)	YoY (Amount / %)		2021 forecast (announced on Nov 10)	YoY (Amount / %)		vs Prev. forecast (announced on Aug 10)
Asahi Group Foods	91.4	1.7	1.9%	124.3	1.1	0.9%	- 4.1
Other / elimination	0.3	0.1	43.3%	0.4	0.1	35.6%	0.1
Revenue	91.7	1.8	2.0%	124.6	1.2	0.9%	- 4.0

<Core Operating Profit>

(JPY billion)

	2021 Q3 (9 months ended Sep 30)	YoY (Amount / %)		2021 forecast (announced on Nov 10)	YoY (Amount / %)		vs Prev. forecast (announced on Aug 10)
Asahi Group Foods	9.0	0.5	6.2%	11.2	0.3	2.8%	-
Other / elimination	0.1	- 0.0	- 21.0%	0.1	- 0.0	- 4.9%	-
Core Operating Profit	9.0	0.5	6.0%	11.3	0.3	2.8%	-

【Revenue】

・Q3: +2.0% YoY increase mainly due to the growth of *Ippon Manzoku Bar* and *Dear-Natura* despite the sales decrease of *Mintia*.

・2021 Forecast: Revised downward by JPY 4.0 billion mainly due to the shrinking demand for food ingredients in the BtoB business, despite strengthening efforts to capture new demand.

【Core Operating Profit】

・Q3: +6.0% YoY increase mainly due to the sales increase and streamlining sales promotion expenses.

・2021 Forecast: Unchanged the previous forecast by streamlining fixed costs in general, despite the downward revision of revenue.

Overseas Business (Revenue)

<Revenue> *including liquor tax (JPY billion)

	2021 Q3 (9 months ended Sep 30)	YoY (Amount / %)		2021 forecast (announced on Nov 10)	YoY (Amount / %)		vs Prev. forecast (announced on Aug 10)
Europe Business	365.1	41.4	12.8%	489.8	78.8	19.2%	-
Oceania Business *	349.2	147.9	73.5%	494.8	155.7	45.9%	-
Southeast Asia Business	32.3	0.7	2.1%	41.0	- 0.6	- 1.5%	- 1.6
Other / elimination	0.5	- 0.8	- 62.0%	0.9	- 0.3	- 21.4%	-
Revenue	747.0	189.1	33.9%	1,026.6	233.6	29.5%	- 1.6

<Revenue *constant currency basis (based on previous year's FX rates)> *including liquor tax (JPY billion)

	2021 Q3 (9 months ended Sep 30)	YoY (Amount / %)		2021 forecast (announced on Nov 10)	YoY (Amount / %)		vs Prev. forecast (announced on Aug 10)
Europe Business	340.0	16.2	5.0%	461.0	50.0	12.2%	-
Oceania Business *	308.3	107.1	53.2%	444.7	105.6	31.1%	-
Southeast Asia Business	31.2	- 0.4	- 1.3%	40.1	- 1.5	- 3.7%	- 1.5
Other / elimination	0.5	- 0.8	- 61.3%	0.9	- 0.3	- 21.4%	-
Revenue	680.0	122.1	21.9%	946.7	153.8	19.4%	- 1.5

* CUB business has been consolidated since June 2020.

【Revenue (constant currency basis)】

・Europe: +5.0% YoY increase due to recovery in the on-premise demand with lifting of restrictions, despite the impact of bad weather in the peak season.

・Oceania: +53.2% YoY increase due to the sales volume increase and the consolidation of CUB business, despite the impact of lockdowns in some regions.

・Southeast Asia: -1.3% YoY decline mainly due to the impact of restrictions such as curfew in Malaysia and stagnant logistics caused by container shortage.

・Revised the full-year forecast downward by JPY 1.5 billion due to the revision for Southeast Asia, despite unchanged Europe and Oceania.

Overseas Business (Core OP)

<Core OP> (JPY billion)

	2021 Q3 (9 months ended Sep 30)	YoY (Amount / %)		2021 forecast (announced on Nov 10)	YoY (Amount / %)		vs Prev. forecast (announced on Aug 10)
Europe Business	59.5	6.7	12.6%	73.9	13.6	22.5%	- 2.2
Oceania Business *	53.4	39.6	284.9%	82.5	49.5	150.3%	-
Southeast Asia Business	0.3	- 0.8	- 73.6%	0.2	- 1.2	- 89.1%	- 0.6
Other / elimination	1.5	2.2	-	1.5	2.0	-	-
Core Operating Profit	114.7	47.6	71.0%	158.0	63.9	67.9%	- 2.8

<Core OP *constant currency basis (based on previous year's FX rates)> (JPY billion)

	2021 Q3 (9 months ended Sep 30)	YoY (Amount / %)		2021 forecast (announced on Nov 10)	YoY (Amount / %)		vs Prev. forecast (announced on Aug 10)
Europe Business	55.4	2.6	4.8%	69.5	9.2	15.3%	- 2.1
Oceania Business *	47.2	33.3	240.0%	74.1	41.2	124.9%	-
Southeast Asia Business	0.3	- 0.8	- 74.5%	0.1	- 1.2	- 89.4%	- 0.6
Other / elimination	1.5	2.2	-	1.5	2.0	-	-
Core Operating Profit	104.4	37.3	55.6%	145.3	51.2	54.4%	- 2.6

* CUB business has been consolidated since June 2020.

【Core OP (constant currency basis)】

・Europe: +4.8% YoY increase due to recovery in the on-premise channel, mix improvement resulting from premiumization in the off-premise channel, and streamlining fixed costs.

・Oceania: +240.0% YoY increase due to the impact of the consolidation of CUB business and creating synergies as well as the sales increase.

・Southeast Asia: -74.5% YoY decline mainly due to the sharp rise in raw material prices and logistics costs as well as the sales decrease.

・ Revised the full-year forecast downward by JPY 2.6 billion due to the revision for Europe and Southeast Asia, despite unchanged Oceania.

Overview of Europe Business Results

◆ Results on Local Currency Basis

*Excluding the impact of currency translation of local currencies into Euro

khl、million Euro	Q3 (9 months ended Sep 30)	YoY*2	Full-year Forecast	YoY*2	vs Prev. Forecast (announced on Aug 10) *3
Sales Volume	32,307	0%	42,549	5%	-
Net Sales (exc liquor tax)	2,266	6%	3,024	12%	-
Core OP*1	458	4%	570	16%	-3%

*1 Core OP before deduction of one-off cost *2 Comparison in FX rate of the same period of the previous year

*3 Comparison in budget FX rate

◆ Overview by Channel

	Off-premise	On-premise	Total
Q3 YoY（volume basis)	＋ low single digit	flat	flat

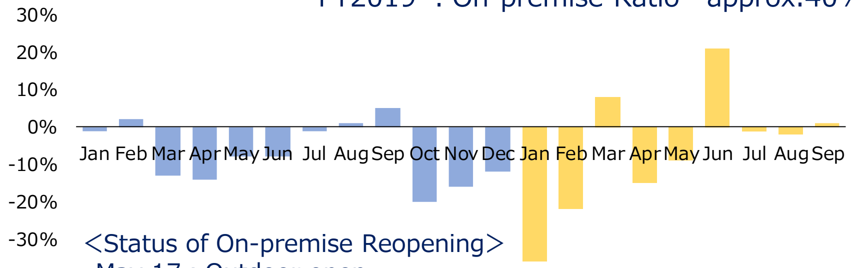
・As for off-premise channel, decrease in the mid-single digit in July-September due to bad weather as well as demand shift to on-premise as a result of lifting restrictions for restaurants. YoY growth in the low single digits in January-September, due to strong sales of *Radegast* in the Czech Republic, *PNA* and *Ciucas* in Romania, *PNA* and *Asahi Super Dry* in the UK and *Hardmade* launch in Poland.

・As for on-premise channel, YoY volume is more or less flat. Q1 was weaker than PY due to Covid restrictions in place since the beginning of the year while Q2 was much stronger as restrictions were gradually lifted. At the peak season of July to September we saw growth in high-single digit mainly due to lower level of restrictions and therefore better performance in the UK and Romania, despite below-average weather.

◆ Monthly Beer Sales Volume in the Key Countries (January 2020 - September 2021)

【Czech】

3Q 2021 : Sales Volume -5%
FY2019 : On-premise Ratio approx.40%

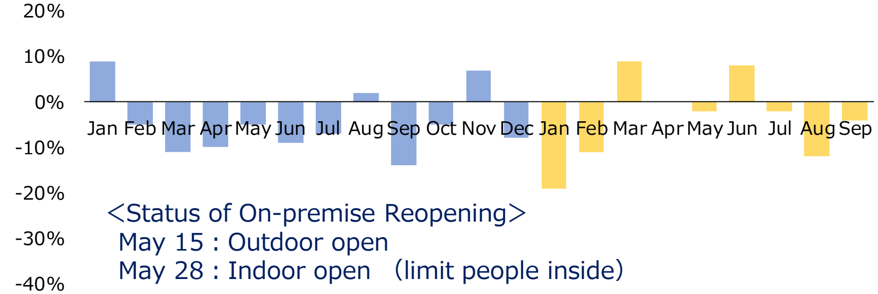


<Status of On-premise Reopening>
May 17 : Outdoor open
May 31 : Indoor open (limit people inside)

- On-premise: YoY increase in July-September mainly due to demand recovery via Lifting of restriction despite the poor weather during peak season.
- Off-premise: YoY slightly decrease mainly due to the poor weather during the peak season of July-September, however premium brands still continued to grow

【Poland】

3Q 2021 : Sales Volume -3%
FY2019 : On-premise Ratio Mid-single Digit

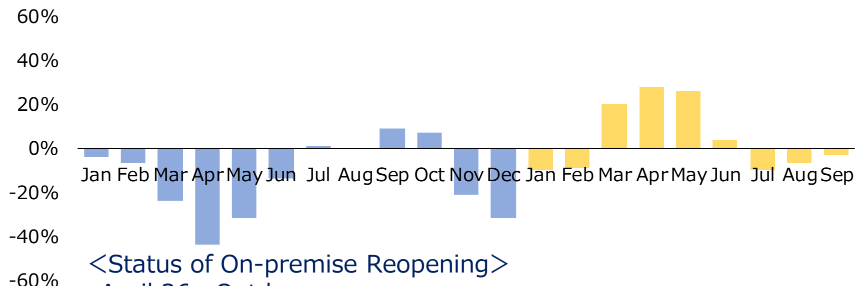


<Status of On-premise Reopening>
May 15 : Outdoor open
May 28 : Indoor open (limit people inside)

- On-premise: YoY decrease at the peak season of July-September mainly due to bad weather.
- Off-premise: YoY decrease mainly due to the poor weather vs PY, although strong sales of premium beer i.e. Captain Jack or Hardmade

【Italy】

3Q 2021 : Sales volume +1%
FY2019 : On-premise Ratio approx.40%

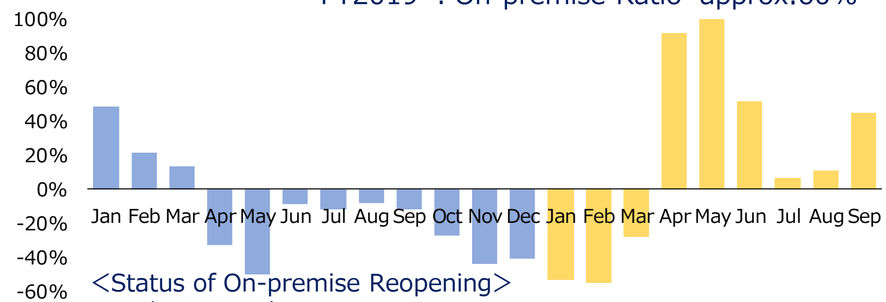


<Status of On-premise Reopening>
April 26 : Outdoor open
June 1 : Status of indoor varies by region (Limit people inside)

- On-premise: YoY slightly increase in July-September mainly due to demand recovery via Lifting of restriction despite the poor weather during peak season.
- Off-premise: YoY decrease in July-September due to the demand shift to On-premise

【UK】

3Q 2021 : Sales volume +17%
FY2019 : On-premise Ratio approx.60%



<Status of On-premise Reopening>
April 12 : Outdoor open
May 17 : Indoor open (July 19 completely lifting restrictions)

- On-premise: In the recovery period after April, the share increased compared to 2019. YoY significantly increased in July-September, despite the poor weather during peak season.
- Off-premise: YoY increase in July-September due to capturing market share with premium brands despite the demand shift to On-premise.

Overview of Oceania Business Results

◆ Results on Local Currency Basis

million AUD	Q3 (9 months ended Sep 30)	YoY *3	Full-year Forecast	YoY *3	vs Prev. Forecast (announced on Aug 10)
Alcohol Beverages *1	2,069	73%	2,954	40%	-
Non-alcohol Beverages *1	828	9%	1,178	6%	-
Net Sales (exc liquor tax) *1	2,897	48%	4,131	29%	-
Core OP *2	668	108%	1,036	73%	-
One off Cost	- 20	-	- 30	-	-

*1 Based on net sales value excluding container deposite

*2 Core OP before deduction of one-off cost

*3 Figures for the previous year of the former CUB business reflect from June to December 2020 results after the acquisition.

◆ Overview by Channel of Australian Alcohol Beverages Business

	Off-premise	On-premise	Total
Jan-Sep YoY (volume basis)	Flat	+ approx. 30%	+ Mid single digit

* Calculated based on the previous year's results including the former CUB business.

- Off-premise: Almost flat year on year due to the sales expansion of the core brand *Great Northern*, despite the negative impact of the return of demand to the on-premise channel.

- On-premise: Increased by approximately 30% YoY due to the rebound from the Australia-wide lockdowns in the first half last year, despite lockdowns in July-Sep this year in major cities such as Sydney and Melbourne.

Operating Profit/Profit Attributable to Owners of Parent

(JPY billion)

	2021 Q3 (9 months ended Sep 30)	YoY (Amount / %)		2021 forecast (announced on Nov 10)	YoY (Amount / %)		vs Prev. forecast (announced on Aug 10)
Revenue	1,620.3	148.9	10.1%	2,246.0	218.2	10.8%	- 30.0
Core Operating Profit	154.3	28.3	22.5%	214.0	46.2	27.5%	- 10.5
Adjustment item	18.0	30.8	-	- 2.5	30.2	-	-
Gain (loss) on sales and retirement of non current assets	31.8	29.2	1,113.4%	29.4	27.5	-	0.4
Business integration expenses	- 10.3	- 7.3	-	- 10.3	- 1.3	-	- 1.4
Impairment loss	-	-	-	-	8.8	-	-
Others	- 3.5	9.0	-	- 21.6	- 4.9	-	1.0
Operating profit	172.3	59.2	52.3%	211.5	76.3	56.5%	- 10.5
Finance income or loss	- 7.1	- 2.9	-	- 9.9	- 2.3	-	0.7
Share of profit (loss) of investments accounted for using equity method	0.3	0.0	8.1%	0.3	0.0	14.0%	0.2
Gain (loss) on sales of investments accounted for using equity method	-	2.3	-	-	2.3	-	-
Others	- 0.8	0.4	-	- 3.4	- 3.3	-	- 0.9
Profit before tax	164.8	59.1	55.9%	198.5	73.1	58.3%	- 10.5
Income tax expense	- 39.9	- 10.2	-	- 50.0	- 17.2	-	3.0
Profit	124.9	48.8	64.2%	148.5	55.9	60.4%	- 7.5
Profit attributable to owners of parent	124.6	48.5	63.7%	148.5	55.7	60.0%	- 7.5
Profit attributable to non-controlling interests	0.3	0.4	-	-	0.2	-	-

【Operating Profit】

・Q3: +52.3% YoY increase due to increase in Core OP and gain on sales and retirement of non current assets.

・2021 Forecast: Revised downward by JPY 10.5 billion from the previous forecast due to the downward revision of Core OP.

【Profit Attributable to Owners of Parent】

・Q3: +63.7% YoY increase due to higher Core OP, despite increase in finance loss and income tax expense.

・2021 Forecast: Revised downward by JPY 7.5 billion from the previous forecast due to the downward revision of operating profit, despite the revision of income tax expense.

<Reference> FX Impact

◆ FX Impact on P/L (Result and Forecast)

(JPY billion)

Business	Currrency	Q3 (9 months ended Sep 30)	2021 forecast (announced on Nov 10)
		Results	Forecast
Europe	Euro	25.1	28.8
Oceania	AUD	40.8	50.1
Southeast Asia	-	1.1	0.9
Others	-	-0.0	-0.0
Revenue		67.0	79.9
Europe	Euro	4.1	4.3
Oceania	AUD	6.2	8.4
Southeast Asia	-	0.0	0.0
Others	-	-0.0	-0.0
Amortization of intangible assets	-	-1.8	-2.1
Core Operating Profit		8.5	10.6

◆ FX Sensitivity for 2021

<Impact of 1 yen change (full year)>

(JPY billion)

Currency	Assumption	Revenue	Core OP
Euro	129.5	±3.8	±0.6
AUD	82.0	±6.0	±1.0

* The above figures do not include the effect of exchange rates on amortization of intangible assets.

* FX impact = The impact of converting local currency results into yen (excluding trade impact)

◆ Exchange Rate Trends

(JPY)

Currency	2018	2019	2020
Euro	130.4	122.0	121.9
AUD	82.6	75.8	73.7

Currency	2020 Q3	2021 Q3
Euro	120.9	129.9
AUD	72.8	82.4