



Q3 2022 Financial Results Presentation

November 10, 2022

ASAHI GROUP HOLDINGS, LTD.



Revenue / Core Operating Profit



(JPY billion)	Q3 (9 months)	(Constant Currency Basis)		2022 Forecast	(Constant Currency Basis)	
		Change	YoY		Change	YoY
Japan	969.4	95.9	11.0%	1,317.5	98.1	8.0%
Europe	436.8	49.8	13.7%	565.1	78.2	16.5%
Oceania	404.2	18.5	5.3%	558.0	23.1	4.6%
Southeast Asia	39.1	2.3	7.1%	48.2	2.9	6.9%
Other	6.2	1.8	41.5%	7.6	1.8	29.8%
Adjustment (corporate and elimination)	- 5.6	- 1.4	-	- 46.3	- 40.0	-
Revenue	1,849.9	167.0	10.3%	2,450.0	164.1	7.3%
Japan	85.5	12.7	17.4%	111.4	7.9	7.6%
Europe	61.3	- 1.7	- 2.9%	74.4	- 2.8	- 3.7%
Oceania	64.4	5.2	9.7%	103.5	13.9	16.8%
Southeast Asia	0.0	- 0.2	- 91.1%	0.0	- 0.4	- 100.0%
Other	1.2	0.2	21.5%	1.1	- 0.1	- 8.1%
Adjustment (corporate and elimination)	- 10.6	- 1.1	-	- 18.2	- 3.6	-
Amortization of acquisition- related intangible assets	- 25.0	- 0.1	-	- 32.2	0.1	-
Core Operating Profit	176.9	14.9	9.7%	240.0	15.1	6.9%

*Figures for Constant Currency Basis are calculated by converting foreign currency amounts for the current year to yen using the exchange rate of the previous year.

*In addition to above, figures for Europe are calculated by excluding the foreign exchange effects of local currencies to Euro.

* Part of Oceania's export business was transferred to Europe.

Revenue

- +10.3% YoY in total mainly due to increase in sales volume and unit price improvement in each region, as well as the positive effect of temporary demand before the price revision in Japan.
- Total in line with the plan due to the unit prices improved in other regions, except for Japan and Europe, where sales were slightly sluggish.

Core Operating Profit

- +9.7% YoY mainly due to the decrease in Europe because of higher variable costs, etc., but increase in Japan and Oceania.
- Total in line with the plan due to the slightly sluggish in Japan, while strengthened cost management in Europe and Oceania, etc. .

Operating Profit / Profit Attributable to Owners of Parent



(JPY billion)	Q3 (9 months)	(Actual Currency Basis)		2022 Forecast	(Actual Currency Basis)	
		Change	YoY		Change	YoY
Revenue	1,849.9	229.6	14.2%	2,450.0	213.9	9.6%
Core Operating Profit	176.9	22.6	14.6%	240.0	22.1	10.1%
Adjustment item	- 13.3	- 31.3	-	- 22.5	- 16.5	-
Gain (loss) on sales and retirement of non current assets	7.6	- 24.2	- 76.0%	9.9	- 21.1	- 68.0%
Business integration expenses	- 4.0	6.3	-	- 2.3	12.5	-
Impairment loss	- 13.8	- 13.8	-	- 12.8	0.7	-
Others	- 3.2	0.4	-	- 17.4	- 8.5	-
Operating profit	163.6	- 8.7	- 5.1%	217.5	5.6	2.6%
Finance income or loss	- 7.0	0.1	-	- 9.4	0.4	-
Share of profit (loss) of investments accounted for using equity method	0.4	0.1	18.5%	0.4	- 0.3	- 41.9%
Others	- 1.0	- 0.2	-	- 3.0	- 0.0	-
Profit before tax	156.0	- 8.8	- 5.3%	205.5	5.7	2.8%
Income tax expense	- 41.3	- 1.5	-	- 59.0	- 13.0	-
Profit	114.6	- 10.3	- 8.2%	146.5	- 7.3	- 4.8%
Profit attributable to owners of parent	114.5	- 10.1	- 8.1%	146.5	- 7.0	- 4.6%
Profit attributable to non-controlling interests	0.1	- 0.2	- 54.5%	-	- 0.3	-
Adjusted profit attributable to owners of parent*	124.8	0.2	0.1%	156.5	1.9	1.2%

*Calculated from profit attributable to owners of parent excluding one-off special factors including business portfolio restructuring and impairment loss.

*2022 forecast is adjusted on after-tax basis for the loss of SCM restructuring in Japan. 2021 results are adjusted on after-tax basis for the goodwill impairment in Europe and the lower tax expenses for restructuring in Southeast Asia.

Operating Profit

- -5.1% YoY mainly due to the reversal of gain on sales and disposal of property, plant and equipment in the previous year, and impairment losses due to SCM reorganization in Japan.

Profit Attributable to Owners of Parent

- -8.1% YoY mainly due to decrease in operating profit.
- +0.1% YoY for adjusted profit attributable to owners of parent, excluding the loss on the SCM restructuring, etc.
- Total in line with the plan for both the operating profit and the profit.

Improvement in Unit Sales Price/Cost Increases



◆ Improvement in Unit Sales Price (Jan-Sep YoY)

Japan
(Alcohol Beverages)

Europe

Australia
(Alcohol Beverages)

Beer-Type Beverages
Unit Price
(Excluding Liquor Tax)

+1.3%

+11.6%

+4.8%

*Including non-alcohol category

Ref: Overall Business
Revenue
(Excluding Liquor Tax)

+14.4%

+14.5%

+6.5%

◆ Cost Increases (Group Total/**Based on Assumed Annual FX Rate**)

Jan-Sep Results

Appx. 55 Billion Yen

Annual Forecast

Appx. 80 Billion Yen

(JPY billion)	Q3 (9 months)	Change	YoY	2022 Forecast	Change	YoY
Alcohol Beverages Business	585.1	81.6	16.2%	795.2	73.0	10.1%
Non-Alcohol Beverages Business	278.2	6.9	2.5%	373.9	16.1	4.5%
Food Business	93.1	1.4	1.5%	127.7	1.8	1.4%
Other/elimination in segment	13.0	6.1	87.5%	20.7	7.1	52.7%
Revenue	969.4	95.9	11.0%	1,317.5	98.1	8.0%
Alcohol Beverages Business	62.0	16.0	34.9%	78.0	7.2	10.2%
Non-Alcohol Beverages Business	23.6	- 3.6	- 13.1%	33.2	0.1	0.2%
Food Business	8.6	- 0.4	- 4.7%	12.3	0.9	7.4%
Other/elimination in segment	- 8.6	0.6	-	- 12.1	- 0.2	-
Core Operating Profit	85.5	12.7	17.4%	111.4	7.9	7.6%

Revenue

- +11.0% YoY in total due to recovery in Alcohol Beverages Business and strong sales of beer cans, as well as the effect of temporary demand before the price revision.
- Total fell slightly short of the plan, mainly due to lower sales of Alcohol Beverages Business and Non-Alcohol Beverages Business.
*Price revisions for the three main businesses were executed in October (and beyond).

Core Operating Profit

- +17.4% YoY in total due to the increase in sales of Alcohol Beverages Business, etc., despite the decrease in Non-Alcohol Beverages Business and Alcohol Beverages Business due to higher raw material costs, etc.
- Total fell slightly short of the plan, with Alcohol Beverages Business progressing in line with plan, while Non-Alcohol Beverages Business and Food Business fell short of plan.

Japan (Alcohol Beverages: Revenue/Sales Volume)



(JPY billion) *Before rebate deduction	Q3 (9 months)	Change	YoY	2022 Forecast	Change	YoY
Beer-type beverages	442.7	71.3	19.2%	610.1	71.4	13.2%
Whiskey and spirits	38.8	5.0	14.6%	52.2	2.8	5.7%
RTD low-alcohol beverages	26.5	- 0.2	- 0.9%	33.6	- 3.2	- 8.7%
Wine	30.2	1.6	5.5%	42.4	- 0.2	- 0.5%
Shochu	14.7	0.4	2.8%	20.1	- 0.5	- 2.4%
Non-alcohol beer/RTD	30.0	0.3	1.1%	39.1	- 1.3	- 3.1%

(Million of cases)	Q3 (9 months)	Change	YoY	2022 Forecast	Change	YoY
Super Dry	51.19	10.65	26.3%	71.60	10.78	17.7%
Style Free	9.56	0.43	4.8%	12.40	- 0.06	- 0.5%
Clear Asahi	11.06	- 0.39	- 3.4%	14.20	- 1.27	- 8.2%

(YoY) *Volume basis	Q3 (9 months)		
	Bottle	Can	Keg
Beer-type beverages	+46%	+8%	+77%
Beer	+46%	+24%	+79%

(YoY) *Volume basis	(Ref.) Beer-type market	
	Q3(9 months)	2022 Forecast
Beer-type	Approx. +9%	Approx. +2%
Beer	+26~27%	+16~17%
Happoshu	Approx. ±0%	- 4~5%
New Genre	Approx. -4%	Approx. -10%

(Beer-typed beverages)

- +19.2% YoY due to sales decreased for new genre, but recovered for on-premise and strong sales of canned beer.
- Total fell short of the plan as beer sales were lower due to the sluggishness in on-premise and other factors, while happoshu sales exceeded the plan.

(Other than beer-typed)

- Sales of RTDs were down from the previous year due to the sluggish market, but sales of whiskey and spirits, wine, and Non-Alcohol Beverages Business were up from the previous year.
- Total sales exceeded the plan, with shochu and Non-Alcohol Beverages Business in line with the plan, but whiskey and spirits and RTD sales exceeded the plan.

Japan (Alcohol Beverages: Breakdown of Changes in Profit)

(JPY billion)	Q3 (9 months)	Change	YoY	2022 Forecast	Change	YoY
Change in sales, category and container mix	-	29.0		-	33.0	
Cost reduction in manufacturing	-	0.9		-	1.0	
Cost increase in manufacturing	-	- 7.0		-	- 14.9	
Advertisement and Sales promotion expenses	-	- 6.1		-	- 9.2	
Other expenses	-	- 0.9		-	- 2.6	
Core Operating Profit	62.0	16.0	34.9%	78.0	7.2	10.2%

* "Other expenses" includes "Other and eliminations."

<Q3(9 months): Factors Contributing to Increase/Decrease>

- Change in sales and others: +29.0 (Sales volume in beer-type +25.7, Sales in other alcohol beverages +3.8, Change in category and container mix and etc.)
- Cost reduction in manufacturing: +0.9 (Raw materials +0.2, Transportation +0.3, etc.)
- Cost increase in manufacturing: -7.0 (Raw materials -4.3, Utilities -1.5, Transportation -0.2, etc.)
- Change in sales promotion expenses: -6.1 (Advertisement -4.7, Promotion -1.4) (Beer-type -4.5, Other -1.6)

<2022 Forecast: Factors Contributing to Increase/Decrease>

- Change in sales and others: +33.0 (Sales volume in beer-type +31.1, Sales in other alcohol beverages +0.7, Change in category and container mix and etc.)
- Cost reduction in manufacturing: +1.0 (Other than beer-type +0.2, Transportation +0.3, etc.)
- Cost increase in manufacturing: -14.9 (Raw materials -10.7, In other than beer -2.0, Transportation -1.1, and etc.)
- Change in sales promotion expenses: -9.2 (Advertisement -7.2, Promotion expenses -2.0) (Beer-type -7.2, Other -2.0)

Factors Contributing to Increase/Decrease

- +34.9% YoY, mainly due to the sales increased mainly in beer, despite higher variable costs due to market conditions for raw materials and aluminum cans, as well as higher advertising and sales promotion expenses for *Super Dry* and *Asahi Nama Beer*.
- Total in line with the plan due to the efficiency of variable costs, advertising and promotional expenses, and other fixed costs, although the impact of the sales increase/decrease was less than the plan.

Japan (Non-Alcohol Beverages: Sales Volume)



(Millions of cases)	Q3 (9 months)	Change	YoY	2022 Forecast	Change	YoY
Carbonated drinks	65.42	3.26	5.2%	83.80	3.48	4.3%
Lactic acid drinks	35.13	2.13	6.5%	44.00	1.82	4.3%
Coffee	24.14	- 1.74	- 6.7%	34.00	- 1.38	- 3.9%
Tea	30.77	2.87	10.3%	40.00	2.84	7.6%
Mineral Water	13.01	1.25	10.6%	16.70	1.12	7.2%
Fruit juice	11.66	1.04	9.8%	15.00	0.44	3.0%
Other drinks	19.33	0.53	2.8%	25.50	- 0.01	- 0.0%
Sales Volume	199.46	9.34	4.9%	259.00	8.32	3.3%

(JPY billion)	Q3 (9 months)	Change	YoY	2022 Forecast	Change	YoY
Revenue	278.2	6.9	2.5%	373.9	16.1	4.5%

(YoY)	By channel	(YoY)	By container
*Volume basis	Q3 (9 months)	*Volume basis	Q3 (9 months)
Vending machine	- 0.8%	Can	- 0.2%
CVS	+ 5.1%	PET total	+ 5.9%
SM	+ 2.0%	Large PET	+ 2.7%
		Small PET	+ 7.5%

(YoY)	(Ref) Market	
*Volume basis	Q3 (9 months)	2022 Forecast
Total	Approx. +4%	Approx. +2%

Sales volume

- +4.9% YoY due to sales expansion in Carbonated Drinks, Tea Beverages Business, and Lactic Acid Drinks by renewal and new product effects, despite sales slump in Coffee.
- Total in line with the plan, with Coffee falling short of the plan, but lactic acid drinks and mineral water exceeding the plan.

Revenue

- +2.5% YoY mainly due to the increase in sales volume.
- Total fell short of the plan mainly due to weak sales of coffee resulting in a deterioration in the unit price mix.

Japan (Non-Alcohol Beverages: Breakdown of Changes in Profit)



(JPY billion)	Q3 (9 months)	Change	YoY	2022 Forecast	Change	YoY
Change in sales, category and container mix	-	3.1		-	10.3	
Cost reduction in manufacturing	-	1.2		-	1.8	
Cost increase in manufacturing	-	- 7.4		-	- 10.8	
Advertisement and Sales promotion expenses	-	- 0.6		-	- 0.4	
Other expenses	-	0.2		-	- 0.8	
Core Operating Profit	23.6	- 3.6	- 13.1%	33.2	0.1	0.2%

* "Other expenses" includes "Other and eliminations."

<Q3(9 months): Factors Contributing to Increase/Decrease>

- Change in sales and others: +3.1 (Sales volume +3.3, Change in category and container mix, etc.)
- Cost reduction in manufacturing: +1.2 (Raw materials +0.1, Packages +0.6, Operational efficiency / in-house production +0.4 and etc.)
- Cost increase in manufacturing: -7.4 (Raw materials -2.8, Packages -3.1, etc.)
- Change in sales promotion expenses: -0.6 (Advertisement +0.1, Promotion expense -0.7)

<2022 Forecast: Factors Contributing to Increase/Decrease>

- Change in sales and others: +10.3 (Sales volume +10.0, Change in category and container mix, etc.)
- Cost reduction in manufacturing: +1.8 (Raw materials +0.2, Packages +0.9, Operational efficiency / in-house production +0.6 and etc.)
- Cost increase in manufacturing: -10.8 (Raw materials -4.1, Packages -5.3 and etc.)
- Change in sales promotion expenses: -0.4 (Advertisement +0.1, Promotion -0.5)

Factors Contributing to Increase/Decrease

- -13.1% YoY due to the cost increases in variable costs, mainly in sugar, despite variable cost reductions and efficiency improvements in various fixed costs as a result of the effect of improved capacity utilization and increased revenue.
- Total fell short of the plan due to higher-than-expected variable cost increases, despite additional fixed cost efficiencies, etc.

(Khl./million Euro)	Q3 (9 months)	Change *1	YoY *1	2022 Forecast	Change *1	YoY *1
Revenue (Incl. liquor tax)	3,210	384	13.7%	4,217	602	16.5%
Core OP*1	450	- 13	- 2.9%	555	- 21	- 3.7%
Sales Volume	33,171	864	2.7%	43,186	1,924	4.7%
Net Sales (excl. liquor tax)	2,612	329	14.5%	3,413	507	17.3%

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

*1 Comparison in FX rate of the same period of the previous year

*2 Comparison in budget FX rate

<Overview by Channel(Sales Volume)>

*YoY	Jan-Jun	July-Sep	Jan-Sep
On-premise	+ 60-70%	- mid single digit	+ 20-30%
Off-premise	- low single digit	+ low single digit	-low single digit
Total	+ 4.6%	± 0%	+ 2.7%

Sales Volume

- +2.7% YoY due to growth in local premium categories including NAB and expanded development of global brands.

Revenue

- +13.7% YoY due to an improved channel mix resulting from a recovery in on-premise sales, in addition to higher unit prices resulting from premiumization and price increases in off-premise sales.
- Fell slightly short of the plan due to volume impact, although unit price improvement was in line.

Core Operating Profit

- -2.9% YoY due to cost increases in raw materials and utilities, despite the effect of increased revenues including improved unit prices
- In line with the plan due to increased efficiency of fixed costs such as marketing expenses.

(million AUD)	Q3 (9 months)	Change	YoY	2022 Forecast	Change	YoY
Revenue	4,463	225	5.3%	6,340	280	4.6%
Core Operating Profit	712	63	9.7%	1,176	169	16.8%
Net Sales (exc liquor tax) *1	3,095	198	6.8%	4,377	227	5.5%
(Alcohol Beverages) *1	2,160	91	4.4%	3,145	179	6.0%
(Non-Alcohol Beverages) *1, 2	935	107	12.9%	1,232	48	4.0%
Net Core OP *3	712	43	6.5%	1,176	139	13.4%

*1 Based on net sales value excluding container deposit.

*2 Including the impact of newly consolidated Allpress.

*3 Core OP before deduction of one-off cost.

<Overview by Channel (Australian Alcohol Beverages) >

	*YoY	Jan-Jun	July-Sep	Jan-Sep
On-premise	+low single digit	+ 120-130%	+mid 20%.	
Off-premise	slight decrease	-low single digit	-low single digit	
Total	Approx. 0%	+Approx. 8%	+Approx. 2%	

Revenue

- +5.3% YoY due to the increased sales volume of Alcohol Beverages Business and Non-Alcohol Beverages Business centered on mainstay brands, as well as an improved channel mix and higher unit prices from price revisions.
- In line with the plan as sales of Alcohol Beverages Business fell short of the plan, but off-premise and Non-Alcohol Beverages Business covered the shortfall.

Core Operating Profit

- +9.7% YoY due to the recovery of on-premise and streamlining of fixed costs, including advertising and promotional expenses, despite cost increases in raw materials and distribution costs.
- In line with the plan as fixed costs and efficiencies such as advertising and promotional expenses offset additional cost increases.

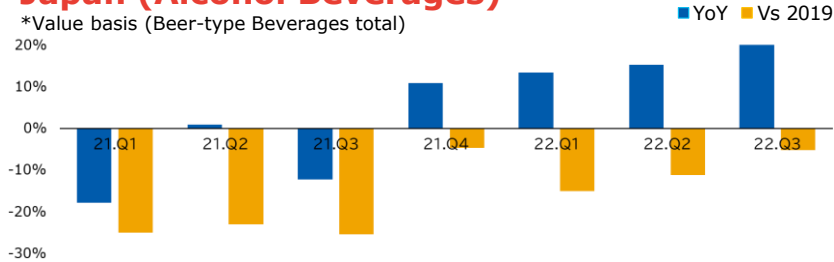
Reference

Sales Trend by Region

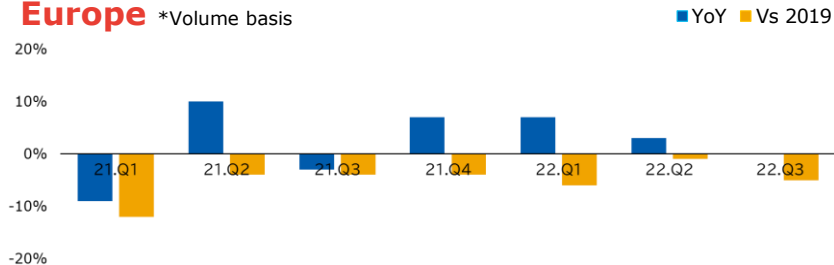


Japan (Alcohol Beverages)

*Value basis (Beer-type Beverages total)

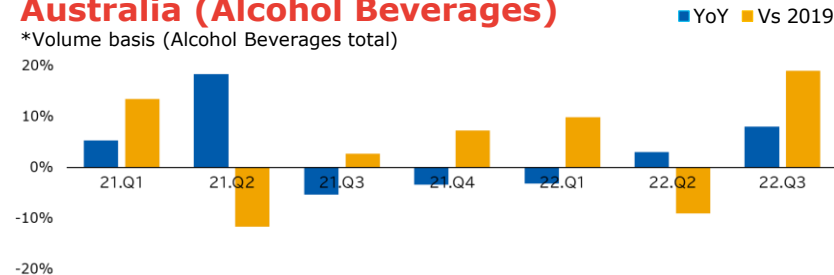


Europe *Volume basis



Australia (Alcohol Beverages)

*Volume basis (Alcohol Beverages total)



● Jan-Sep, 2022 Results

• Revenue +19.2% YoY (-10% vs 2019)

On-premise: +high 60% range YoY (- Approx. 40% vs 2019)

Off-premise: +high single digit YoY (+Low single digit vs 2019)

*Figures by channel are based on sales volume (beer-type total)

• Sales Volume +2.7% YoY (-3% vs 2019)

On-premise: +20 to +30% YoY (-10% to -15% vs 2019)

Off-premise: - Low single digit YoY (- Low single digit vs 2019)

• Sales Volume +Approx. 2% YoY (+high single digit vs 2019)

On-premise: +mid 20% YoY (- Low single digit vs 2019)

Off-premise: - Low single digit YoY (+Approx. 10% vs 2019)

FX Impact (Q3 Results)



(JPY billion)	Q3 (9 months)	(Actual Currency Basis)			FX Impact	(Constant Currency Basis)	
		Prev. Year	Change	YoY		Change	YoY
Japan	969.4	873.4	95.9	11.0%	-	95.9	11.0%
Europe	436.8	365.1	71.7	19.6%	21.8	49.8	13.7%
Oceania	404.2	349.2	55.0	15.8%	36.5	18.5	5.3%
Southeast Asia	39.1	32.3	6.8	21.0%	4.5	2.3	7.1%
Other	6.2	4.3	1.9	42.9%	0.1	1.8	41.5%
Adjustment (corporate and elimination)	- 5.6	- 4.0	- 1.6	-	- 0.2	- 1.4	-
Revenue	1,849.9	1,620.3	229.6	14.2%	62.7	167.0	10.3%
Japan	85.5	72.9	12.7	17.4%	-	12.7	17.4%
Europe	61.3	59.5	1.7	2.9%	3.4	- 1.7	- 2.9%
Oceania	64.4	53.4	11.0	20.6%	5.8	5.2	9.7%
Southeast Asia	0.0	0.3	- 0.3	- 97.7%	- 0.0	- 0.2	- 91.1%
Other	1.2	1.0	0.2	22.9%	0.0	0.2	21.5%
Adjustment (corporate and elimination)	- 10.6	- 9.5	- 1.1	-	0.0	- 1.1	-
Amortization of acquisition- related intangible assets	- 25.0	- 23.3	- 1.7	-	- 1.6	- 0.1	-
Core Operating Profit	176.9	154.3	22.6	14.6%	7.6	14.9	9.7%

<Exchange Rate Trends>

(Yen)	Q3 2022 (9 months)	Q3 2021 (9 months)
Euro	136.1	129.9
AUD	90.6	82.4

*Figures for Constant Currency Basis are calculated by converting foreign currency amounts for the current year to yen using the exchange rate of the previous year.

*In addition to above, figures for Europe are calculated by excluding the foreign exchange effects of local currencies to Euro.

FX Impact (Full-Year Forecast)



(JPY billion)	2022 Forecast	2021 Results	(Actual Currency Basis)		FX Impact	(Constant Currency Basis)	
			Change	YoY		Change	YoY
Japan	1,317.5	1,219.4	98.1	8.0%	-	98.1	8.0%
Europe	565.1	474.4	90.7	19.1%	12.5	78.2	16.5%
Oceania	558.0	500.0	58.0	11.6%	34.9	23.1	4.6%
Southeast Asia	48.2	42.7	5.5	12.9%	2.6	2.9	6.9%
Other	7.6	6.0	1.6	27.2%	- 0.2	1.8	29.8%
Adjustment (corporate and elimination)	- 46.3	- 6.3	- 40.0	-	-	- 40.0	-
Revenue	2,450.0	2,236.1	213.9	9.6%	49.8	164.1	7.3%
Japan	111.4	103.5	7.9	7.6%	-	7.9	7.6%
Europe	74.4	75.5	- 1.1	- 1.4%	1.7	- 2.8	- 3.7%
Oceania	103.5	83.1	20.4	24.6%	6.5	13.9	16.8%
Southeast Asia	0.0	0.4	- 0.4	- 100.0%	0.0	- 0.4	- 100.0%
Other	1.1	1.2	- 0.1	- 8.9%	- 0.0	- 0.1	- 8.1%
Adjustment (corporate and elimination)	- 18.2	- 14.6	- 3.6	-	-	- 3.6	-
Amortization of acquisition- related intangible assets	- 32.2	- 31.1	- 1.1	-	- 1.2	0.1	-
Core Operating Profit	240.0	217.9	22.1	10.1%	7.0	15.1	6.9%

<Exchange Rate Trends>

(Yen)	2022 Forecast	2021 Results
Euro	134.0	129.9
AUD	88.0	82.5

<Exchange Rate Sensitivity for 2022>

(JPY billion)	Revenue	Core OP
Euro	± 4.2	± 0.6
AUD	± 6.3	± 1.2

- * Impact of 1 yen change (full year)
- * Figures do not include the effect of exchange rates on amortization of intangible assets.
- * FX impact shows the impact of converting local currency results into yen excluding trade impact.

*Figures for Constant Currency Basis are calculated by converting foreign currency amounts for the current year to yen using the exchange rate of the previous year.

*In addition to above, figures for Europe are calculated by excluding the foreign exchange effects of local currencies to Euro.



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