

2021 Q1 Consolidated Financial Results Highlight

◆ Business Performance Highlight

(Billions of yen)

	Q1 (3 months ended March 31)				H1 forecast (announced on February 12)			
		2020	Inc./Dec.	YoY		2020	Inc./Dec.	YoY
Revenue	456.7	409.1	47.5	11.6%	1,067.5	874.3	193.2	22.1%
Domestic Business	192.6	208.3	- 15.8	- 7.6%	460.1	436.9	23.3	5.3%
Overseas Business	164.8	112.2	52.5	46.8%	365.0	245.4	119.6	48.8%
Revenue excluding liquor tax	357.3	320.6	36.7	11.5%	825.1	682.3	142.9	20.9%
Core operating profit ^{*1,2}	28.3	15.9	12.4	78.3%	76.5	52.0	24.5	47.2%
Operating profit ^{*2}	52.2	12.9	39.3	304.1%	93.5	44.7	48.8	109.3%
Profit before tax ^{*2}	48.9	9.5	39.4	416.1%	87.5	40.5	47.0	116.1%
Profit for the period ^{*2}	33.0	8.3	24.8	298.7%	59.4	29.6	29.8	100.4%
Profit attributable to owners of parent ^{*2}	33.2	8.3	24.9	298.2%	59.5	29.7	29.8	100.0%

*1 Core operating profit is the reference index for normalized business performance.

Core operating profit = Revenue - (COGS + general administrative cost)

◆ Performance excluding the impacts of foreign exchange

(The figures in 2021 are converted by the previous year's local currency rate)

Revenue	436.2	409.1	27.1	6.6%	1,044.4	874.3	170.1	19.5%
Core operating profit	25.9	15.9	10.0	63.0%	74.1	52.0	22.1	42.5%

◆ Reference Index

	Q1 (3 months ended March 31)			H1 forecast (announced on February 12)		
		2020	Inc./Dec.		2020	Inc./Dec.
Alcohol Beverages Business (including liquor tax)	6.5%	8.6%	- 2.1%	9.3%	9.9%	- 0.7%
(excluding liquor tax)	10.5%	14.2%	- 3.8%	15.2%	16.4%	- 1.2%
Soft Drinks Business	6.0%	1.4%	4.6%	5.9%	5.9%	- 0.0%
Food Business	10.9%	11.6%	- 0.8%	7.0%	9.1%	- 2.1%
Overseas Business (including liquor tax)	11.9%	6.5%	5.4%	12.6%	8.6%	4.0%
(excluding liquor tax)	15.3%	7.9%	7.4%	16.2%	10.6%	5.5%
Core operating profit margin (including liquor tax)	6.2%	3.9%	2.3%	7.2%	5.9%	1.3%
(excluding liquor tax)	7.9%	5.0%	2.9%	9.3%	7.6%	1.7%
EPS (yen) ^{*2}	65.5	18.2	47.3	117.4	64.9	52.5

*2 Amortization of intangible assets of CUB business is retroactively reflected in the previous year's H1 forecast for June only.

2021 Q1 Consolidated Financial Results

◆ Summary of Statement of Profit or Loss

(Billions of yen)

	Q1 (3 months ended March 31)				H1 forecast (announced on February 12)			
	2020	Inc./Dec.	YoY		2020	Inc./Dec.	YoY	
Alcohol Beverages Business ^{*1}	136.1	163.0	- 26.9	- 16.5%	354.7	340.6	14.1	4.2%
Soft Drinks Business	75.3	75.1	0.2	0.2%	174.8	166.6	8.2	4.9%
Food Business	29.5	30.8	- 1.3	- 4.2%	61.7	59.9	1.8	3.0%
Overseas Business	212.3	136.4	75.9	55.6%	468.5	303.6	164.9	54.3%
Other Business ^{*1}	22.7	24.2	- 1.6	- 6.4%	52.8	49.3	3.5	7.1%
Adjustment (corporate and elimination)	- 19.2	- 20.4	1.2	-	- 45.0	- 45.7	0.7	-
Revenue	456.7	409.1	47.5	11.6%	1,067.5	874.3	193.2	22.1%
Alcohol Beverages Business ^{*1}	8.8	14.0	- 5.2	- 37.1%	32.8	33.9	- 1.0	- 3.1%
Soft Drinks Business	4.5	1.1	3.4	321.8%	10.3	9.9	0.4	4.4%
Food Business	3.2	3.6	- 0.4	- 10.5%	4.3	5.4	- 1.1	- 20.6%
Overseas Business	25.2	8.8	16.4	185.7%	58.9	26.1	32.9	126.0%
Other Business ^{*1}	- 0.4	- 1.0	0.7	-	- 1.4	- 1.0	- 0.4	-
Adjustment (corporate and elimination)	- 5.5	- 5.3	- 0.1	-	- 13.8	- 11.3	- 2.4	-
Amortization of acquisition-related intangible assets ^{*2}	- 7.6	- 5.2	- 2.4	-	- 14.7	- 10.9	- 3.8	-
Core operating profit	28.3	15.9	12.4	78.3%	76.5	52.0	24.5	47.2%
Adjustment item	23.9	- 3.0	26.9	-	17.0	- 7.3	24.3	-
Loss (gain) on sales and retirement of non current assets	34.7	- 0.4	35.2	-	30.7	3.4	27.3	803.9%
Business integration expenses	- 7.3	- 0.8	- 6.5	-	-	- 2.1	2.1	-
Others	- 3.5	- 1.7	- 1.8	-	- 13.7	- 8.6	- 5.1	-
Operating profit	52.2	12.9	39.3	304.1%	93.5	44.7	48.8	109.3%
Financing income or loss	- 3.1	- 1.5	- 1.6	-	- 6.0	- 1.7	- 4.4	-
Share of profit (loss) of entities accounted for using equity method	0.1	0.1	0.0	55.5%	0.1	0.2	- 0.1	- 36.9%
Loss (gain) on sales of investments accounted for using equity method	-	-	-	-	-	- 2.3	2.3	-
Others	- 0.3	- 2.0	1.6	-	- 0.1	- 0.4	0.3	-
Profit before tax	48.9	9.5	39.4	416.1%	87.5	40.5	47.0	116.1%
Income tax expense	- 15.9	- 1.2	- 14.7	-	- 28.1	- 10.9	- 17.2	-
Profit for the period	33.0	8.3	24.8	298.7%	59.4	29.6	29.8	100.4%
Profit attributable to owners of parent	33.2	8.3	24.9	298.2%	59.5	29.7	29.8	100.0%
Profit attributable to non-controlling interests	- 0.2	- 0.0	- 0.1	-	- 0.1	- 0.1	0.0	-

* The effects of change 1 and 2 below resulting from business reorganization effective January 1, 2021 were reflected in figures from the beginning of 2021 and comparable previous year's results in 2020.

*1 We transferred NADAMAN CO., LTD. and ASAHI FOOD CREATE, LTD. which was previously in Alcohol Beverages Business to Other Business.

*2 Due to the completion of the acquisition of the CUB business in June 2020, the amortization of intangible assets in the previous year includes expenses only for June as the effect of newly consolidated CUB business.

◆ Summary of Statement of Financial Position

	Q1 (3 months ended March 31)			
	2020	Inc./Dec.	YoY	
Total Assets	4,509.3	4,439.4	69.9	1.6%
Total Equity	1,657.1	1,517.8	139.3	9.2%
Total equity attributable to owners of parent	1,655.6	1,516.1	139.4	9.2%
Interest-bearing debt	1,804.7	1,823.6	- 18.9	- 1.0%

◆ Others

	Q1 (3 months ended March 31)			
	2020	Inc./Dec.	YoY	
Capital expenditures	16.2	19.9	- 3.7	- 18.8%
Depreciation	19.7	17.8	1.9	10.6%

* Capital expenditures and depreciation do not include lease assets or trademarks at the time of the acquisition of subsidiaries.

2021 Q1 Financial Results (Individual)

◆ Revenue

		Q1 (3 months ended March 31)		
		2020	Inc./Dec.	YoY
Asahi Breweries	135.8	162.5	- 26.7	- 16.5%
Other / elimination in segment ^{*1}	0.4	0.5	- 0.1	- 23.3%
Alcohol Beverages Business	136.1	163.0	- 26.9	- 16.5%
Asahi Soft Drinks	75.3	75.1	0.2	0.2%
Other / elimination in segment	-	-	-	-
Soft Drinks Business	75.3	75.1	0.2	0.2%
Asahi Group Foods ^{*2}	29.4	30.8	- 1.3	- 4.3%
Other / elimination in segment ^{*2}	0.1	0.1	0.0	43.4%
Food Business	29.5	30.8	- 1.3	- 4.2%
Europe business ^{*3}	75.7	85.2	- 9.5	- 11.1%
Oceania business ^{*4}	125.3	39.8	85.5	215.0%
Southeast Asia business ^{*5}	11.3	10.6	0.7	6.6%
Other / elimination in segment ^{*5}	- 0.1	0.8	- 0.9	-
Overseas Business	212.3	136.4	75.9	55.6%
Other Business ^{*1}	22.7	24.2	- 1.6	- 6.4%
Adjustment (corporate and elimination)	- 19.2	- 20.4	1.2	-
Total	456.7	409.1	47.5	11.6%

◆ Core Operating Profit

		Q1 (3 months ended March 31)		
		2020	Inc./Dec.	YoY
Asahi Breweries	8.7	13.8	- 5.1	- 37.0%
Other / elimination in segment ^{*1}	0.1	0.2	- 0.1	- 46.8%
Alcohol Beverages Business	8.8	14.0	- 5.2	- 37.1%
Asahi Soft Drinks	4.5	1.1	3.4	321.8%
Other / elimination in segment	-	-	-	-
Soft Drinks Business	4.5	1.1	3.4	321.8%
Asahi Group Foods ^{*2}	3.2	3.5	- 0.4	- 10.8%
Other / elimination in segment ^{*2}	0.0	0.0	0.0	18.4%
Food Business	3.2	3.6	- 0.4	- 10.5%
Europe business ^{*3}	0.4	7.4	- 7.0	- 94.9%
Oceania business ^{*4}	23.6	1.7	21.9	-
Net business profit	23.8	2.0	21.8	-
Temporary expenses	- 0.2	- 0.3	0.1	-
Southeast Asia business ^{*5}	0.4	0.1	0.2	160.1%
Other / elimination in segment ^{*5}	0.8	- 0.4	1.2	-
Overseas Business	25.2	8.8	16.4	185.7%
Other Business ^{*1}	- 0.4	- 1.0	0.7	-
Adjustment (corporate and elimination)	- 5.5	- 5.3	- 0.1	-
Amortization of acquisition-related intangible assets ^{*4}	- 7.6	- 5.2	- 2.4	-
Total	28.3	15.9	12.4	78.3%

* The effects of change 1, 2, 3, 4 and 5 below resulting from business reorganization effective January 1, 2021 were reflected in figures from the beginning of 2021 and comparable previous year's results in 2020.

*1 We transferred NADAMAN CO., LTD. and ASAHI FOOD CREATE, LTD. which was previously in Alcohol Beverages Business to Other Business.

*2 Asahi Group Foods, Ltd. absorbed and merged ASAHI CALPIS WELLNESS CO., LTD. which was previously in Other/elimination in Food Business.

*3 Asahi International, Ltd was merged into Europe business.

*4 Existing business and CUB business were merged into Oceania business.

Due to the completion of the acquisition of the CUB business in June 2020, revenue, core operating profit and the amortization of intangible assets in the previous year do not include the effect of CUB business.

*5 We transferred Asahi Loi Hein Company Limited which was previously in Southeast Asia business to Other Business.

Segment Results (constant currency basis)

◆ Revenue

		Q1 (3 months ended March 31)		
		2020	Inc./Dec.	YoY
Alcohol Beverages Business ^{*1}	136.1	163.0	- 26.9	- 16.5%
Soft Drinks Business	75.3	75.1	0.2	0.2%
Food Business ^{*2}	29.5	30.8	- 1.3	- 4.2%
Europe business ^{*3}	71.1	85.2	- 14.1	- 16.5%
Oceania business ^{*4}	109.4	39.8	69.7	175.1%
Southeast Asia business ^{*5}	11.3	10.6	0.7	6.6%
Other / elimination in segment ^{*5}	- 0.1	0.8	- 0.9	-
Overseas Business	191.8	136.4	55.4	40.6%
Other Business ^{*1}	22.7	24.2	- 1.6	- 6.4%
Adjustment (corporate and elimination)	- 19.2	- 20.4	1.2	-
Total	436.2	409.1	27.1	6.6%

◆ Core Operating Profit

		Q1 (3 months ended March 31)		
		2020	Inc./Dec.	YoY
Alcohol Beverages Business	8.8	14.0	- 5.2	- 37.1%
Soft Drinks Business ^{*1}	4.5	1.1	3.4	321.8%
Food Business ^{*2}	3.2	3.6	- 0.4	- 10.5%
Europe business ^{*3}	0.4	7.4	- 7.1	- 95.2%
Oceania business ^{*4}	20.6	1.7	18.9	-
Net business profit	20.8	2.0	18.8	930.2%
Temporary expenses	- 0.2	- 0.3	0.2	-
Southeast Asia business ^{*5}	0.4	0.1	0.2	160.0%
Other / elimination in segment ^{*5}	0.8	- 0.4	1.2	-
Overseas Business	22.2	8.8	13.4	151.6%
Other Business ^{*1}	- 0.4	- 1.0	0.7	-
Adjustment (corporate and elimination)	- 5.5	- 5.3	- 0.1	-
Amortization of acquisition-related intangible assets	- 7.0	- 5.2	- 1.8	-
Total	25.9	15.9	10.0	63.0%

* The figures in 2021 are converted by the previous year's local currency rate.

* The details of footnote 1, 2, 3, 4, and 5, refer to supplement 3.

◆ Exchange Rate

	2021 Q1 (Average)	2020 Q1 (Average)
Euro	127.8	120.1
Australian dollar	82.0	71.6
Malaysian Ringgit	26.1	26.1
US dollar	106.1	108.9

Breakdown of Inc./Dec. in Profit (Alcohol Beverages Business & Soft Drinks Business)
< Alcohol Beverages Business >

(Billions of yen)

	Q1 (3 months ended March 31)				H1 forecast (announced on February 12)			
	2020	Inc./Dec.	YoY		2020	Inc./Dec.	YoY	
Asahi Breweries Revenue	135.8	162.5	- 26.7	- 16.5%	353.8	339.8	14.0	4.1%
Other / elimination in segment *	0.4	0.5	- 0.1	- 23.3%	0.9	0.8	0.1	15.2%
Revenue total	136.1	163.0	- 26.9	- 16.5%	354.7	340.6	14.1	4.2%
Change in sales, category and container mix ^{*1}			- 8.5				6.6	
Cost reduction in manufacturing ^{*2}			1.3				1.7	
Cost increase in manufacturing ^{*3}			- 0.4				- 1.1	
Advertisement and Sales promotion expenses ^{*4}			0.6				- 4.5	
Other expenses			1.9				- 3.5	
Change in personal expenses			0.2				- 0.5	
Change in depreciation			0.3				0.1	
Change in selling equipment expenses			0.6				- 0.3	
Change in other materials			0.7				- 2.8	
Asahi Breweries Core operating profit	8.7	13.8	- 5.1	- 37.0%	32.8	33.6	- 0.8	- 2.2%
Other/elimination in segment *	0.1	0.2	- 0.1	- 46.8%	- 0.0	0.3	- 0.3	-
Core operating profit total	8.8	14.0	- 5.2	- 37.1%	32.8	33.9	- 1.0	- 3.1%

* The effects of change below resulting from business reorganization effective January 1, 2021 were reflected in figures from the beginning of 2021 and comparable previous year's results in 2020.

We transferred NADAMAN CO., LTD. and ASAHI FOOD CREATE, LTD. which was previously in Alcohol Beverages Business to Other Business.

^{*1} Sales volume change in beer-type -7.6, Sales change in other alcohol beverages -1.8, Changes in category and container mix, and others

^{*2} Raw materials +0.1, Other than beer-type +0.4, Utilities +0.2, Disposal +0.2, and others

^{*3} Raw materials -0.2, and others

^{*4} Advertisement -0.5, Promotion expense +1.1 (Beer-type +0.5, others +0.1)
(reference) Advertisement 6.5, Promotion expense 6.9

< Soft Drinks Business >

(Billions of yen)

	Q1 (3 months ended March 31)				H1 forecast (announced on February 12)			
	2020	Inc./Dec.	YoY		2020	Inc./Dec.	YoY	
Asahi Soft Drinks Revenue	75.3	75.1	0.2	0.2%	174.8	166.6	8.2	4.9%
Other / elimination in segment	-	-	-	-	-	-	-	-
Revenue total	75.3	75.1	0.2	0.2%	174.8	166.6	8.2	4.9%
Change in sales, category and container mix ^{*1}			2.0				2.3	
Cost reduction in manufacturing ^{*2}			0.8				1.2	
Cost increase in manufacturing ^{*3}			- 0.1				- 0.3	
Advertisement and Sales promotion expenses ^{*4}			0.4				- 0.5	
Other expenses ^{*5}			0.3				- 2.3	
Asahi Soft Drinks Core operating profit	4.5	1.1	3.4	321.8%	10.3	9.9	0.4	4.4%
Other/elimination in segment	-	-	-	-	-	-	-	-
Core operating profit total	4.5	1.1	3.4	321.8%	10.3	9.9	0.4	4.4%

^{*1} Sales volume change +1.6, Change in category and container mix change, and others

^{*2} Raw materials +0.4, Operational efficiency / In-house production +0.4

^{*3} Raw materials -0.1

^{*4} Advertisement +0.2, Promotion expense +0.2

^{*5} Depreciation, and others

Reference: Soft Drinks Business Sales Volume

(Millions of cases)

	Q1 (3 months ended March 31)				H1 forecast (announced on February 12)			
	2020	Inc./Dec.	YoY		2020	Inc./Dec.	YoY	
Carbonated drinks	16.06	15.24	0.82	5.4%	38.24	37.57	0.67	1.8%
Lactic acid drinks	8.57	9.23	- 0.66	- 7.1%	22.20	21.21	1.00	4.7%
Coffee	8.42	8.32	0.10	1.2%	17.72	16.76	0.96	5.7%
Tea	7.01	7.74	- 0.73	- 9.4%	16.94	16.67	0.27	1.6%
Mineral water	3.16	3.73	- 0.57	- 15.3%	8.39	7.86	0.53	6.7%
Fruit juice	2.94	3.28	- 0.34	- 10.2%	6.78	6.96	- 0.19	- 2.7%
Other drinks	5.53	5.37	0.16	3.1%	12.99	11.73	1.27	10.8%
Asahi Soft Drinks total	51.70	52.91	- 1.21	- 2.3%	123.26	118.75	4.51	3.8%

Details of amortization of intangible assets

◆Details of amortization of acquisition-related intangible assets

	Q1 (3 months ended March 31)		
		2020	Inc./Dec.
Alcohol Beverages Business	- 0.0	- 0.0	-
Soft Drinks Business	- 0.4	- 0.4	-
Food Business	-	-	-
Europe business	- 4.4	- 4.2	- 0.2
Oceania business *	- 2.7	- 0.5	- 2.2
Southeast Asia business	- 0.0	-	- 0.0
Overseas Business	- 7.1	- 4.7	- 2.4
Other Business	- 0.0	- 0.1	0.0
Total	- 7.6	- 5.2	- 2.4

* Due to the completion of the acquisition of the CUB business in June 2020, the amortization of intangible assets in the previous year does not includes the effect of CUB business.