



Year ended December 31, 2022

Consolidated Earnings Report - Supplementary Information

Consolidated Results (Year ended December 31, 2022)

1. Consolidated Financial Highlights
2. Major Sales and Sales Volume Data
3. Condensed Consolidated Results
 - Consolidated Statements of Income
 - Consolidated Statements of Cash Flows
4. Consolidated Statements of Income : Breakdown of Key Changes
5. Segment information
6. Condensed Consolidated Balance Sheets

Consolidated Forecasts (Year ending December 31, 2023)

7. Full-Year Consolidated Business Results estimate
8. Full-Year Consolidated Statement of Income: Breakdown of Key Changes
9. Full-Year Consolidated Segment information

February 2023

SAPPORO HOLDINGS LTD.

Securities Code: 2501

URL <https://www.sapporoholdings.jp/en/>

1. Financial Highlights

Consolidated Financial Highlights

(billions of yen, except percentages, ratios, per-share data, and exchange rates)

	Year ended December 31, 2021	Year ended December 31, 2022	Change	Change(%)
Revenue	437.2	478.4	41.3	9.4%
(ref.) Excluding liquor tax	331.2	364.2	33.0	10.0%
Revenue growth rate	0.6%	9.4%	—	—
(ref.) Excluding liquor tax	0.8%	10.0%	—	—
Overseas revenue	74.5	102.2	27.7	37.2%
Overseas revenue growth rate	13.7%	37.2%	—	—
Core operating profit (*1)	8.1	9.3	1.2	14.4%
Core operating margin	1.9%	1.9%	—	—
Operating profit	22.0	10.1	(11.9)	(54.1%)
Profit attributable to owners of parent	12.3	5.4	(6.9)	(55.8%)
Total assets	594.6	639.1	44.6	7.5%
Total equity	163.3	167.2	3.9	2.4%
Balance of debt :Net (*2)	180.7	226.5	45.8	25.3%
Debt-to-equity ratio (times) :Net (*3)	1.1	1.4	—	—
Depreciation and amortization	20.5	20.6	0.1	0.3%
EBITDA (*4)	28.6	29.9	1.2	4.3%
EBITDA interest-bearing debt ratio(times) (*5)	6.3	7.6	—	—
Capital expenditure	21.2	22.3	1.1	5.1%
Cash basis				
R O E (%) (*6)	7.9%	3.3%	—	—
E P S (yen sen) (*7)	158.30	69.96	—	—
D O E (%) (*8)	2.1%	2.0%	—	—
Payout ratio (%)	26.5%	60.0%	—	—
Exchange rates (Yen) (*9)	US\$	109.90	131.64	—
	CAN\$	87.69	101.02	—
	SG\$	81.77	95.40	—

	Year ended December 31, 2022	Year ending December 31, 2023 (Forecast)	Change	Change(%)
Revenue	478.4	490.0	11.6	2.4%
(ref.) Excluding liquor tax	364.2	374.2	9.9	2.7%
Revenue growth rate	9.4%	2.4%	—	—
(ref.) Excluding liquor tax	10.0%	2.7%	—	—
Overseas revenue	102.2	111.8	9.6	9.4%
Overseas revenue growth rate	37.2%	9.4%	—	—
Core operating profit (*1)	9.3	13.5	4.2	45.0%
Core operating margin	1.9%	2.8%	—	—
Operating profit	10.1	9.5	(0.6)	(6.0%)
Profit attributable to owners of parent	5.4	5.5	0.1	0.9%
Total assets	639.1			
Total equity	167.2			
Balance of debt :Net (*2)	226.5	246.2	19.6	8.7%
Debt-to-equity ratio (times) :Net (*3)	1.4	1.5	—	—
Depreciation and amortization	20.6	21.2	0.7	3.2%
EBITDA (*4)	29.9	34.7	4.8	16.2%
EBITDA interest-bearing debt ratio(times) (*5)	7.6	7.1	—	—
Capital expenditure	22.3	43.1	20.7	92.8%
Cash basis				
R O E (%) (*6)	3.3%	3.3%	—	—
E P S (yen sen) (*7)	69.96	70.61	—	—
D O E (%) (*8)	2.0%	2.0%	—	—
Payout ratio (%)	60.0%	59.5%	—	—
Exchange rates (Yen) (*9)	US\$	131.64	125.00	—
	CAN\$	101.02	95.00	—
	SG\$	95.40	95.00	—

*1: Core operating profit is calculated as Revenue – Cost of sales – SG&A expenses.

*2: The balance of debt includes commercial paper but excludes the balance of lease obligations.

*3: Balance of debt:Net(excluding lease liabilities) /Equity attributable to owners of parent

*4: EBITDA (IFRS)=Core operating profit + Depreciation and amortization

(excluding depreciation expense on leased assets which is charged on the rent of restaurants)

*5: Balance of debt:Net (excluding lease liabilities)/EBITDA

*6: Profit attributable to owners of parent/Equity attributable to owners of parent

*7: Profit attributable to owners of parent/Average number of shares during the period

*8: Dividend/Equity attributable to owners of parent(Average)

*9: Revenues and expenses are translated into Japanese yen at the average exchange rate for the fiscal year.

2. Major Sales and Sales Volume

Sales Volume:Beer (Japan)

(10,000 cases)

	Fiscal 2021	Fiscal 2022	YoY Change	YoY Change(%)	Full-year estimate for fiscal 2023	YoY Change	YoY Change(%)
Sapporo Draft Beer Black Label (total)	1,249	1,399	150	12.0%	1,533	134	9.6%
YEBISU (total)	685	666	(20)	(2.9%)	679	13	2.0%
1 Beer (total)	2,441	2,677	236	9.7%	2,816	139	5.2%
2 Happoshu (total)	165	151	(14)	(8.7%)	101	(50)	(33.2%)
3 New genre beer products (total)	1,214	1,114	(100)	(8.2%)	1,026	(88)	(7.9%)
Beer, happoshu, and new genre (total 1+2+3)	3,820	3,942	121	3.2%	3,943	1	0.0%
RTD(*1)	1,186	1,219	33	2.8%	1,443	224	18.4%
Non-alcoholic beer and low alcohol beer taste beverage	72	69	(3)	(3.9%)	80	11	16.3%

*1: RTD 1 case = 250 ml x 24 bottles

Sales Volume:Beer (International)

(10,000 cases)

	Fiscal 2021	Fiscal 2022	YoY Change	YoY Change(%)	Full-year estimate for fiscal 2023	YoY Change	YoY Change(%)
Overseas brand (SLEEMAN, Anchor, Stone, etc.)	1,330	1,457	127	9.5%	1,609	152	10.4%
Sapporo brand	378	418	40	10.6%	446	28	6.6%
North America	1,709	1,876	167	9.8%	2,055	179	9.6%
Sapporo brand	190	243	52	27.4%	301	58	24.1%
Other areas	190	243	52	27.4%	301	58	24.1%
Total	1,899	2,118	219	11.5%	2,356	238	11.2%

Sales:Beer (Japan) *including liquor tax

(billions of yen)

	Fiscal 2021	Fiscal 2022	YoY Change	YoY Change(%)	Full-year estimate for fiscal 2023	YoY Change	YoY Change(%)
Beer	131.8	145.2	13.5	10.2%	157.5	12.3	8.4%
Happoshu	6.4	5.9	(0.5)	(7.4%)	4.1	(1.7)	(29.6%)
New genre	44.6	41.5	(3.1)	(7.0%)	41.1	(0.4)	(1.0%)
Subtotal	182.8	192.6	9.9	5.4%	202.7	10.1	5.3%
Rebate subtracted from sales(*2)	(10.5)	(10.1)	0.4	—	—	—	—
Total	172.3	182.5	10.2	5.9%	—	—	—

*2: Full year estimate for rebate subtracted from sales in not disclosed.

Sales:Alcoholic Beverage (Japan)

(billions of yen)

	Fiscal 2021	Fiscal 2022	YoY Change	YoY Change(%)	Full-year estimate for fiscal 2023	YoY Change	YoY Change(%)
Domestic wines	3.3	3.4	0.1	2.7%	3.3	(0.0)	(0.8%)
Imported wines	6.5	7.1	0.6	9.5%	7.3	0.2	2.3%
Wine (total)	9.8	10.5	0.7	7.2%	10.6	0.1	1.3%
Spirits and Shochu (total)	24.2	27.2	3.0	12.5%	25.6	(1.6)	(6.0%)
RTD	19.8	20.4	0.6	3.1%	25.1	4.7	22.8%
Subtotal	53.8	58.1	4.4	8.1%	61.3	3.2	5.4%
Rebate subtracted from sales(*3)	(10.2)	(10.2)	(0.0)	0.3%	—	—	—
Total	43.6	47.9	4.3	9.9%	—	—	—

*3: Full year estimate for rebate subtracted from sales in not disclosed.

Sales:Food & Soft Drinks (Japan) *4

(billions of yen)

	Fiscal 2021	Fiscal 2022	YoY Change	YoY Change(%)	Full-year estimate for fiscal 2023	YoY Change	YoY Change(%)
Soft Drinks	62.7	61.0	(1.7)	(2.6%)	60.2	(0.8)	(1.3%)
Food (Lemon · Soups · Plant milk)	33.1	32.9	(0.2)	(0.6%)	33.0	0.0	0.2%

*4: Only domestic sales (Before Rebate subtracted from sales)

3. Consolidated Results (Year ended December 31, 2022)

Consolidated Statements of Income

(billions of yen)

	Year ended December 31, 2021	Year ended December 31, 2022	Change	Change(%)
Alcoholic Beverages	289.7	334.6	45.0	15.5%
Japanese	228.6	245.4	16.8	7.3%
Overseas	53.4	74.0	20.5	38.4%
Restaurants	7.6	15.3	7.7	101.0%
Food & Soft Drinks	125.5	122.9	(2.5)	(2.0%)
Real Estate	21.9	20.7	(1.1)	(5.2%)
Other	0.2	0.1	(0.0)	(15.5%)
Revenue	437.2	478.4	41.3	9.4%
Alcoholic Beverages	5.4	7.7	2.3	42.1%
Japanese	7.9	8.5	0.6	7.0%
Overseas	1.7	(0.3)	(2.0)	—
Restaurants	(4.2)	(0.5)	3.7	—
Food & Soft Drinks	0.7	1.8	1.1	148.2%
Real Estate	8.2	6.5	(1.8)	(21.5%)
Other · General corporate and intercompany eliminations	(6.2)	(6.6)	(0.4)	—
Core operating profit (*1)	8.1	9.3	1.2	14.4%
Other operating income	28.5	4.0	(24.5)	(86.0%)
Other operating expense	14.6	3.2	(11.4)	(78.0%)
Operating profit	22.0	10.1	(11.9)	(54.1%)
Financial income (expense)	(0.9)	1.2	2.0	—
Equity in net income of affiliates	0.0	0.1	0.1	130.1%
Profit before tax	21.2	11.4	(9.8)	(46.3%)
Income taxes	8.9	5.9	(3.1)	(34.3%)
Profit	12.3	5.5	(6.8)	(55.1%)
Profit (loss) attributable to non-controlling interest	(0.1)	0.1	0.1	—
Profit attributable to owners of parent	12.3	5.4	(6.9)	(55.8%)
(ref.)				
EBITDA (*2)	28.6	29.9	1.2	4.3%

*1: Core operating profit is calculated as Revenue – Cost of sales – SG&A expenses.

*2: EBITDA (IFRS)=Core operating profit + Depreciation and amortization
(excluding depreciation expense on leased assets which is charged on the rent of restaurants)

Consolidated Statements of Cash Flows

(billions of yen)

	Year ended December 31, 2021	Year ended December 31, 2022	Change	Change(%)
Increase (decrease) in cash and cash equivalents	(1.3)	(2.0)	(0.7)	—
Cash flows from operating activities	30.3	7.8	(22.5)	(74.2%)
Profit before tax	21.2	11.4	(9.8)	(46.3%)
Depreciation and amortization	22.7	21.2	(1.4)	(6.3%)
Income tax payment (refundment)	0.1	(10.0)	(10.1)	—
Cash flows from investing activities	20.7	(46.1)	(66.9)	—
Purchase(Proceeds from sales) of property, plant and equipment	(10.5)	(6.1)	4.4	—
Purchase(Proceeds from sales) of Investment property	32.3	(12.7)	(45.0)	—
Free Cash flows	51.0	(38.3)	(89.4)	—
Cash flows from financial activities	(53.1)	36.5	89.5	—
Change in financial liabilities	(43.7)	44.4	88.1	—
Dividend paid	(3.3)	(3.3)	(0.0)	—
Repayments of lease liabilities	(6.1)	(4.7)	1.4	—
Cash and cash equivalents (beginning of the period)	19.7	17.4	(2.4)	(12.0%)
Cash and cash equivalents (end of the period)	17.4	15.4	(2.0)	(11.4%)

4. Consolidated Results (Year ended December 31, 2022)

Breakdown of key income Changes(Year-on-year)

(1) Alcoholic Beverages

(billions of yen)

Change factor	Fiscal 2021	Fiscal 2022	Change	Details
Beer increase (decrease) in volume			2.9	
Product mix, Price revision, Manufacturing cost			1.2	
RTD · Wine · Spirits · Shochu, other			0.3	Including Non-alcoholic
Advertising and promotion expenses (*1)			(1.4)	
Personnel expenses, Facilities costs ,other			(2.4)	
Domestic subsidiary,consolidation adjusting, other			(0.0)	
Alcoholic Beverages in Japanese	7.9	8.5	0.6	
Alcoholic Beverages in Overseas	1.7	(0.3)	(2.0)	
Restaurants	(4.2)	(0.5)	3.7	
Segment adjustment	0.0	0.0	0.0	
Alcoholic Beverages(Core operating profit)	5.4	7.7	2.3	

(*1) Advertising and promotion expenses(2022) 21.5billions of yen

(2) Food & Soft Drinks

(billions of yen)

Change factor	Fiscal 2021	Fiscal 2022	Change	Details
Increase (decrease) in volume			(0.9)	
Product mix, Price revision, Manufacturing cost			(0.8)	
Advertising and promotion expenses			1.2	
Personnel expenses, Facilities costs ,other			0.4	
Domestic subsidiary,consolidation adjusting, other			(0.3)	
Japanese Food & Soft Drinks			(0.5)	
Overseas Soft Drinks/ Domestic coffee shop chain			1.5	
Food & Soft Drinks(Core operating profit)	0.7	1.8	1.1	

5. Consolidated Results (Year ended December 31, 2022)

Segment Information

(billions of yen)

		Alcoholic Beverages	Food & Soft Drinks	Real Estate	Other	Corporate and eliminations	Consolidated total
Revenue	Jan. 1 - Dec.31, 2022	334.6	122.9	20.7	0.1	—	478.4
	Jan. 1 - Dec.31, 2021	289.7	125.5	21.9	0.2	—	437.2
	Change	45.0	(2.5)	(1.1)	(0.0)	—	41.3
Core operating profit (*1)	Jan. 1 - Dec.31, 2022	7.7	1.8	6.5	0.0	(6.7)	9.3
	Jan. 1 - Dec.31, 2021	5.4	0.7	8.2	0.0	(6.3)	8.1
	Change	2.3	1.1	(1.8)	(0.0)	(0.4)	1.2
Operating profit	Jan. 1 - Dec.31, 2022	8.9	2.3	5.4	0.0	(6.5)	10.1
	Jan. 1 - Dec.31, 2021	2.1	(3.4)	29.3	0.0	(6.0)	22.0
	Change	6.8	5.7	(23.8)	(0.0)	(0.5)	(11.9)
Depreciation and amortization	Jan. 1 - Dec.31, 2022	11.2	2.6	5.0	—	1.7	20.6
	Jan. 1 - Dec.31, 2021	10.0	3.0	5.5	0.0	2.0	20.5
	Change	1.1	(0.4)	(0.4)	(0.0)	(0.2)	0.1
E B I T D A (*2)	Jan. 1 - Dec.31, 2022	18.9	4.4	11.5	0.0	(4.9)	29.9
	Jan. 1 - Dec.31, 2021	15.5	3.7	13.7	0.0	(4.3)	28.6
	Change	3.4	0.6	(2.2)	(0.0)	(0.6)	1.2
Capital expenditures (cash basis)	Jan. 1 - Dec.31, 2022	6.4	2.1	12.8	—	1.0	22.3
	Jan. 1 - Dec.31, 2021	7.1	5.1	8.2	—	0.8	21.2
	Change	(0.7)	(2.9)	4.6	—	0.2	1.1

*1: Core operating profit is calculated as Revenue – Cost of sales – SG&A expenses.

*2: EBITDA (IFRS)=Profit from operations before non-recurring items+ Depreciation and amortization
(excluding depreciation expense on leased assets which is charged on the rent of restaurants)

6. Consolidated Results (Year ended December 31, 2022)

Condensed Consolidated Balance Sheets

(billions of yen)

	Year ended December 31, 2021	Year ended December 31, 2022	Change	Details
Current assets	167.8	179.4	11.6	
Cash and cash equivalents	17.4	15.4	(2.0)	
Trade and other receivables	91.5	96.6	5.1	
Inventories	39.2	47.5	8.3	
Other	19.7	19.9	0.2	
Non-current assets	426.7	459.7	32.9	
Property, plant and equipment , Intangible assets	128.5	138.4	9.9	
Investment property	203.2	209.6	6.4	
Goodwill	19.2	33.8	14.6	
Other	75.8	77.8	2.0	
Total assets	594.6	639.1	44.6	
Current liabilities	210.5	219.5	9.0	
Trade and other payables	33.2	35.7	2.5	
Short-term financial liabilities	61.2	86.5	25.4	
Other	116.1	97.3	(18.9)	
Non-current liabilities	220.7	252.4	31.7	
Long-term financial liabilities	136.9	155.4	18.4	
Net defined benefit liability	0.3	3.5	3.2	
Other	83.4	93.6	10.1	
Total liabilities	431.2	471.9	40.7	
Equity attributable to owners of parent	162.6	166.3	3.7	
Equity attributable to non-controlling interests	0.8	0.9	0.1	
Total equity	163.3	167.2	3.9	
Total liabilities and equity	594.6	639.1	44.6	

7. Consolidated Forecasts (Year ending December 31, 2023)

Condensed Consolidated Statements of Income

(billions of yen)

	Year ended December 31, 2022	Year ending December 31, 2023 (Forecast)	Change	Change(%)
Alcoholic Beverages	334.6	347.0	12.4	3.7%
Japanese	245.4	250.0	4.6	1.9%
Overseas	74.0	80.0	6.0	8.2%
Restaurants	15.3	17.0	1.7	11.1%
Food & Soft Drinks	122.9	121.0	(1.9)	(1.6%)
Japanese	98.3	95.0	(3.3)	(3.4%)
Overseas	24.6	26.0	1.4	5.8%
Real Estate	20.7	22.0	1.2	6.0%
Other	0.1	0.0	(0.1)	(71.5%)
Revenue	478.4	490.0	11.6	2.4%
Alcoholic Beverages	7.7	13.4	5.6	72.8%
Japanese	8.5	12.5	4.0	47.6%
Overseas	(0.3)	0.5	0.8	—
Restaurants	(0.5)	0.4	0.9	—
Food & Soft Drinks	1.8	2.4	0.6	34.0%
Japanese	0.9	1.3	0.4	44.8%
Overseas	0.9	1.1	0.2	23.2%
Real Estate	6.5	5.9	(0.6)	(9.3%)
Other · General corporate and intercompany eliminations	(6.6)	(8.1)	(1.4)	—
Core operating profit (*1)	9.3	13.5	4.2	45.0%
Other operating income (expense)	0.8	(4.0)	(4.8)	—
Operating profit	10.1	9.5	(0.6)	(6.0%)
Financial income (expense)	1.2	(1.8)	(3.0)	—
Equity in net income (loss) of affiliates	0.1	0.0	(0.1)	(63.0%)
Profit before tax	11.4	7.7	(3.6)	(32.0%)
Income taxes	5.9	2.2	(3.7)	(63.2%)
Profit (loss)	5.5	5.6	0.1	1.0%
Profit (loss) attributable to non-controlling interest	0.1	0.1	0.0	7.1%
Profit (loss) attributable to owners of parent	5.4	5.5	0.1	0.9%
(ref.)				
EBITDA (*2)	29.9	34.7	4.8	16.2%

*1: Core operating profit is calculated as Revenue – Cost of sales – SG&A expenses.

*2: EBITDA=Core operating profit + Depreciation and amortization (excluding depreciation expense on leased assets which is charged on the rent of restaurants)

Condensed Consolidated Statements of Cash Flows

(billions of yen)

	Year ended December 31, 2022	Year ending December 31, 2023 (Forecast)	Change	Change(%)
Cash flows from operating activities	7.8	29.0	21.2	271.5%
Cash flows from investing activities	(46.1)	(40.2)	5.9	—
Free Cash flows	(38.3)	(11.2)	27.2	—

8. Consolidated Forecasts (Year ending December 31, 2023)

Breakdown of key income Changes (Year-on-year)

(1) Alcoholic Beverages

(billions of yen)

Change factor	Year ended December 31, 2022	Year ending December 31, 2023 (Forecast)	Change	Details
Beer increase (decrease) in volume			0.0	
Product mix, Price revision, Manufacturing cost			5.1	
RTD · Wine · Spirits · Shochu, other			2.6	Including Non-alcoholic
Advertising and promotion expenses			(3.5)	
Personnel expenses, Facilities costs ,other			(0.2)	
Domestic subsidiary,consolidation adjusting, other			0.0	
Alcoholic Beverages in Japanese	8.5	12.5	4.0	
Alcoholic Beverages in Overseas	(0.3)	0.5	0.8	
Restaurants	(0.5)	0.4	0.9	
Segment adjustment	-	-	-	
Alcoholic Beverages(Core operating profit)	7.7	13.4	5.6	

(2) Food & Soft Drinks

(billions of yen)

Change factor	Year ended December 31, 2022	Year ending December 31, 2023 (Forecast)	Change	Details
Increase (decrease) in volume			(0.4)	
Product mix, Price revision, Manufacturing cost			1.3	
Advertising and promotion expenses			0.3	
Personnel expenses, Facilities costs ,other			(1.2)	
Domestic subsidiary,consolidation adjusting, other			0.5	Including structural reform effects
Japanese Food & Soft Drinks	0.9	1.3	0.4	
Overseas Soft Drinks	0.9	1.1	0.2	
Food & Soft Drinks(Core operating profit)	1.8	2.4	0.6	

9. Consolidated Forecasts (Year ending December 31, 2023)

Segment Information

(billions of yen)

		Alcoholic Beverages	Food & Soft Drinks	Real Estate	Other	Corporate and eliminations	Consolidated total
Revenue	Year ending December 31, 2023(Forecast)	347.0	121.0	22.0	0.0	—	490.0
	Year ended December 31, 2022	334.6	122.9	20.7	0.1	—	478.4
	Change	12.4	(1.9)	1.2	(0.1)	—	11.6
Core operating profit (*1)	Year ending December 31, 2023(Forecast)	13.4	2.4	5.9	0.0	(8.1)	13.5
	Year ended December 31, 2022	7.7	1.8	6.5	0.0	(6.7)	9.3
	Change	5.6	0.6	(0.6)	(0.0)	(1.4)	4.2
Operating profit	Year ending December 31, 2023(Forecast)	12.3	2.3	6.3	0.0	(11.4)	9.5
	Year ended December 31, 2022	8.9	2.3	5.4	0.0	(6.5)	10.1
	Change	3.4	(0.0)	0.8	(0.0)	(4.9)	(0.6)
Depreciation and amortization	Year ending December 31, 2023(Forecast)	10.2	3.3	5.5	0.0	2.2	21.2
	Year ended December 31, 2022	11.2	2.6	5.0	0.0	1.7	20.6
	Change	(1.0)	0.7	0.5	0.0	0.4	0.7
E B I T D A (*2)	Year ending December 31, 2023(Forecast)	23.6	5.7	11.4	0.0	(5.9)	34.7
	Year ended December 31, 2022	18.9	4.4	11.5	0.0	(4.9)	29.9
	Change	4.7	1.3	(0.1)	(0.0)	(1.0)	4.8
Capital expenditures (cash basis)	Year ending December 31, 2023(Forecast)	21.3	5.0	15.3	—	1.4	43.1
	Year ended December 31, 2022	6.4	2.1	12.8	—	1.0	22.3
	Change	14.9	2.8	2.5	—	0.4	20.7

*1: Core operating profit is calculated as Revenue – Cost of sales – SG&A expenses.

*2: EBITDA (IFRS)=Core operating profit + Depreciation and amortization

(excluding depreciation expense on leased assets which is charged on the rent of restaurants)