



## **Nine Months ended September 30, 2020**

### **Consolidated Third Quarter Earnings Report - Supplementary Information**

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**November 2020**

**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)

	Nine months ended September 30, 2019 (*1)	Nine months ended September 30, 2020	Change	Change(%)
Revenue	361.0	315.3	(45.7)	(12.7%)
(ref.) Excluding liquor tax	272.9	238.4	(34.5)	(12.6%)
Revenue growth rate	0.1%	(12.7%)	—	—
(ref.) Excluding liquor tax	0.3%	(12.6%)	—	—
Overseas revenue	54.4	48.9	(5.5)	(10.1%)
Overseas revenue growth rate	(2.6%)	(10.1%)	—	—
Core operating profit (*2)	6.4	1.2	(5.2)	(81.7%)
Core operating margin	1.8%	0.4%	—	—
Operating profit	7.8	(2.0)	(9.8)	—
Profit attributable to owners of parent	4.6	(0.9)	(5.5)	—
Total assets	645.1	643.7	(1.4)	(0.2%)
Total equity	172.1	163.1	(8.9)	(5.2%)
Balance of debt :Net (*3)	215.9	213.4	(2.5)	(1.2%)
Debt-to-equity ratio (times) :Net (*4)	1.3	1.3	—	—
Depreciation and amortization	18.0	17.3	(0.8)	(4.3%)
EBITDA (*5)	24.4	18.4	(6.0)	(24.6%)
Exchange rates (Yen) (*10)				
US\$	109.13	107.57	—	—
CAN\$	82.13	79.48	—	—
SG\$	79.99	77.36	—	—

	Year ended December 31, 2019(*1)	Year ending December 31, 2020 (Forecast)	Change	Change(%)
Revenue	491.9	444.5	(47.4)	(9.6%)
(ref.) Excluding liquor tax	371.1	337.5	(33.6)	(9.1%)
Revenue growth rate	(0.4%)	(9.6%)	—	—
(ref.) Excluding liquor tax	0.1%	(9.1%)	—	—
Overseas revenue	71.2	64.0	(7.2)	(10.2%)
Overseas revenue growth rate	(4.1%)	(10.2%)	—	—
Core operating profit (*2)	11.7	1.0	(10.7)	(91.5%)
Core operating margin	2.4%	0.2%	—	—
Operating profit	12.2	(7.9)	(20.1)	—
Profit attributable to owners of parent	4.4	(6.5)	(10.9)	—
Total assets	638.7			
Total equity	174.5			
Balance of debt :Net (*3)	212.1	217.4	5.3	2.5%
Debt-to-equity ratio (times) :Net (*4)	1.2	1.4	—	—
Depreciation and amortization	24.2	22.5	(1.7)	(7.0%)
EBITDA (*5)	36.0	23.5	(12.5)	(34.7%)
EBITDA interest-bearing debt ratio(times) (*6)	5.9	9.2	—	—
Capital expenditure	29.9	13.5	(16.4)	(54.8%)
Cash basis				
R O E (%) (*7)	2.6%	(3.9%)	—	—
E P S (yen sen) (*8)	55.92	(83.44)	—	—
D O E (%) (*9)	2.0%	2.0%	—	—
Payout ratio (%)	75.1%	—	—	—
Exchange rates (Yen) (*10)				
US\$	109.03	108.00	—	—
CAN\$	82.19	79.00	—	—
SG\$	79.93	77.00	—	—

\*1: The profit and loss of the North American soft drinks business has been classified under discontinued operations in 2019.

Therefore, the amount of continuing operations excluding the amount of discontinued operations from related items is shown.

\*2: Core operating profit is calculated as Revenue – Cost of sales – SG&A expenses.

\*3: The balance of debt includes commercial paper but excludes the balance of lease obligations.

\*4: Balance of debt:Net /Equity total

\*5: 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: Balance of debt:Net /EBITDA

\*7: Profit attributable to owners of parent/owend capited (Average)

\*8: Profit attributable to owners of parent/Average number of shares during the period

\*9: Dividend/Equity attributable to owners of parent(Average)

\*10: 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)

	Jan. 1 - Sep.30, 2019	Jan. 1 - Sep.30, 2020	Change	Change(%)	Year ending December 31, 2020 (Forecast)	Change	Change(%)
Sapporo Draft Beer Black Label (total)	—	—	—	(23.2%)	1,380	(287)	(17.2%)
YEBISU (total)	—	—	—	(19.3%)	670	(162)	(19.5%)
1 Beer (total)	—	—	—	(21.8%)	2,460	(547)	(18.2%)
2 Happoshu (total)	—	—	—	(17.6%)	175	(35)	(16.7%)
3 New genre beer products (total)	—	—	—	30.2%	1,410	279	24.7%
Beer, happoshu, and new genre (total 1+2+3)	—	—	—	(7.7%)	4,045	(302)	(6.9%)
Non-alcoholic beer taste beverage	55	44	(11)	(20.0%)	71	0	0.0%

### Sales Volume:Beer (International)

(10,000 cases)

	Jan. 1 - Sep.30, 2019	Jan. 1 - Sep.30, 2020	Change	Change(%)	Year ending December 31, 2020 (Forecast)	Change	Change(%)
Overseas brand (SLEEMAN, Anchor, etc.)	1,007	1,033	26	2.6%	1,329	6	0.5%
Sapporo brand	276	215	(61)	(22.0%)	274	(91)	(24.9%)
North America	1,283	1,248	(34)	(2.7%)	1,604	(85)	(5.0%)
Sapporo brand	187	120	(67)	(35.8%)	159	(72)	(31.1%)
Other areas	187	120	(67)	(35.8%)	159	(72)	(31.1%)
Total	1,470	1,369	(101)	(6.9%)	1,763	(157)	(8.2%)

### Sales:Beer (Japan) \*including liquor tax

(billions of yen)

	Jan. 1 - Sep.30, 2019	Jan. 1 - Sep.30, 2020	Change	Change(%)
Beer	119.9	94.8	(25.1)	(20.9%)
Happoshu	6.1	5.1	(1.1)	(17.5%)
New genre	28.1	36.6	8.5	30.4%
Subtotal	154.1	136.5	(17.6)	(11.4%)
Rebate subtracted from sales	(8.4)	(8.0)	0.4	—
Total	145.7	128.5	(17.2)	(11.8%)

### Sales:Alcoholic Beverage (Japan)

(billions of yen)

	Jan. 1 - Sep.30, 2019	Jan. 1 - Sep.30, 2020	Change	Change(%)	Year ending December 31, 2020 (Forecast)	Change	Change(%)
Domestic wines	3.1	2.6	(0.5)	(17.6%)	3.7	(0.6)	(13.5%)
Imported wines	5.4	4.2	(1.2)	(21.6%)	6.7	(1.7)	(20.3%)
Wine (total)	8.5	6.8	(1.7)	(20.1%)	10.4	(2.3)	(18.0%)
RTD, Spirits and Shochu (total)	28.0	27.5	(0.5)	(1.8%)	37.7	(0.1)	(0.2%)
Subtotal	36.6	34.3	(2.3)	(6.3%)	48.2	(2.3)	(4.6%)
Rebate subtracted from sales(*2)	(7.1)	(6.9)	0.3	—	—	—	—
Total	29.4	27.4	(1.9)	(6.6%)	—	—	—

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

### Sales:Food & Soft Drinks (Japan) \*3

(billions of yen)

	Jan. 1 - Sep.30, 2019	Jan. 1 - Sep.30, 2020	Change	Change(%)
Soft Drinks	51.7	47.2	(4.6)	(8.8%)
Food (Lemon · Soups · Plant milk)	19.7	21.5	1.7	8.6%

\*3:Only domestic sales

### 3. Consolidated Results (Nine months ended September 30, 2020)

#### Consolidated Statements of Income

(billions of yen)

	Nine months ended September 30, 2019 (*1)	Nine months ended September 30, 2020	Change	Change(%)
Alcoholic Beverages (*2)	242.8	206.8	(36.0)	(14.8%)
Japan & Asia	185.4	164.0	(21.4)	(11.5%)
North America	36.6	34.5	(2.1)	(5.8%)
Restaurants	20.7	8.3	(12.4)	(60.0%)
Food & Soft Drinks	99.8	91.0	(8.8)	(8.9%)
Real Estate	18.3	17.5	(0.9)	(4.7%)
Other (*2)	0.1	0.1	0.0	12.6%
Revenue	361.0	315.3	(45.7)	(12.7%)
Alcoholic Beverages (*2)	4.7	0.3	(4.4)	(93.3%)
Japan & Asia	4.3	4.1	(0.3)	(6.7%)
North America	0.2	0.2	0.1	55.4%
Restaurants	0.2	(4.1)	(4.3)	—
Food & Soft Drinks	(1.0)	(2.3)	(1.3)	—
Real Estate	7.9	8.0	0.2	1.9%
Other - General corporate and intercompany eliminations (*2)	(5.1)	(4.8)	0.3	—
Core operating profit (*3)	6.4	1.2	(5.2)	(81.7%)
Other operating income	3.1	2.7	(0.5)	(14.6%)
Other operating expense	1.8	5.9	4.1	234.7%
Operating profit	7.8	(2.0)	(9.8)	—
Financial income (expense) / Foreign exchange gains (losses)	(0.8)	(0.8)	(0.0)	—
Equity in net income (loss) of affiliates	0.0	0.0	(0.0)	(4.5%)
Profit before tax	7.0	(2.9)	(9.8)	—
Income taxes	2.5	(1.7)	(4.2)	—
Profit (loss) from continuing operations	4.5	(1.2)	(5.6)	—
Profit (loss) from discontinued operations	(0.2)	—	0.2	—
Profit (loss)	4.2	(1.2)	(5.4)	—
Profit (loss) attributable to non-controlling interest	(0.3)	(0.2)	0.1	—
Profit (loss) attributable to owners of parent	4.6	(0.9)	(5.5)	—

(ref.)

EBITDA (*4)	24.4	18.4	(6.0)	(24.6%)
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\*1: The profit and loss of the North American soft drinks business has been classified under discontinued operations in 2019.

Therefore, the amount of continuing operations excluding the amount of discontinued operations from related items is shown.

\*2: The logistics businesses which until now were listed under "other business", will be classified under "Alcoholic Beverages" in 2020.

To enable year-on-year comparisons, figures for the previous fiscal year have been adjusted to reflect the new reportable segments.

\*3: Core operating profit is calculated as Revenue - Cost of sales - SG&A expenses.

\*4: 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)

#### Consolidated Statements of Cash Flows

(billions of yen)

	Nine months ended September 30, 2019 (*1)	Nine months ended September 30, 2020	Change	Change(%)
Increase (decrease) in cash and cash equivalents	12.1	37.3	25.1	207.3%
Cash flows from operating activities	34.4	21.3	(13.0)	(37.9%)
Profit before tax	6.6	(2.9)	(9.5)	—
Depreciation and amortization	21.0	19.8	(1.2)	(5.8%)
Income tax payment	(2.2)	(5.6)	(3.3)	—
Cash flows from investing activities	(21.9)	(14.3)	7.6	—
Purchase(Proceeds from sales) of property, plant and equipment	(10.9)	(7.2)	3.8	—
Purchase(Proceeds from sales) of Investment property	(4.4)	(3.5)	0.8	—
Free Cash flows	12.4	7.0	(5.4)	(43.6%)
Cash flows from financial activities	(0.3)	30.3	30.6	—
Change in financial liabilities	8.1	38.5	30.4	377.2%
Dividend paid	(3.3)	(3.3)	0.0	—
Repayments of lease liabilities	(5.1)	(4.9)	0.2	—
Cash and cash equivalents (beginning of the period)	10.0	15.2	5.2	52.3%
Cash and cash equivalents (end of the period)	22.1	52.5	30.4	137.3%

#### 4. Consolidated Results (Nine months ended September 30, 2020)

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

##### (1) Alcoholic Beverages

(billions of yen)

Change factor	Jan. 1 - Sep.30, 2019	Jan. 1 - Sep.30, 2020	Change	Details
Beer increase (decrease) in volume			(6.2)	Beer (9.5) Happoshu (0.4) New genre +3.7
Beer product mix			0.5	Excluding Composition difference between genres
Manufacturing cost ,other			0.2	
Wine · Spirits · Shochu			0.0	
Others			(0.4)	Non-alcoholic beer · RTD
Marginal profit			(5.8)	
Advertising and promotion expenses			4.9	
Personnel expenses, Facilities costs ,other			1.3	
Domestic subsidiary,consolidation adjusting, other			(0.4)	
Fixed costs and other			5.8	
Alcoholic Beverages in Japan			0.0	
Alcoholic Beverages in Asia			(0.3)	Vietnam
Alcoholic Beverages in Japan & Asia	4.3	4.1	(0.3)	
Alcoholic Beverages in North America	0.2	0.2	0.1	
Restaurants	0.2	(4.1)	(4.3)	
<b>Alcoholic Beverages(Core operating profit)</b>	<b>4.7</b>	<b>0.3</b>	<b>(4.4)</b>	

##### (2) Food & Soft Drinks

(billions of yen)

Change factor	Jan. 1 - Sep.30, 2019	Jan. 1 - Sep.30, 2020	Change	Details
Increase (decrease) in volume			(1.5)	
Manufacturing cost ,other			0.4	
Logistics costs			(0.3)	
Marginal profit			(1.4)	
Advertising and promotion expenses			0.9	
Personnel expenses, Facilities costs ,other			1.0	
Fixed costs and other			1.9	
Domestic subsidiary,consolidation adjusting, other			(0.6)	
Japanese Food & Soft Drinks			(0.1)	
Overseas Soft Drinks/ Domestic coffee shop chain			(1.2)	Overseas+0.0 · Domestic others(1.2)
<b>Food &amp; Soft Drinks(Core operating profit)</b>	<b>(1.0)</b>	<b>(2.3)</b>	<b>(1.3)</b>	

## 5. Consolidated Results (Nine months ended September 30, 2020)

### Segment Information

(billions of yen)

		Alcoholic Beverages	Food & Soft Drinks (*1)	Real Estate	Other	Corporate and eliminations	Consolidated total(*1)
Revenue	Jan. 1 - Sep.30, 2020	206.8	91.0	17.5	0.1	—	315.3
	Jan. 1 - Sep.30, 2019	242.8	99.8	18.3	0.1	—	361.0
	Change	(36.0)	(8.8)	(0.9)	0.0	—	(45.7)
Core operating profit (*2)	Jan. 1 - Sep.30, 2020	0.3	(2.3)	8.0	(0.0)	(4.8)	1.2
	Jan. 1 - Sep.30, 2019	4.7	(1.0)	7.9	0.0	(5.1)	6.4
	Change	(4.4)	(1.3)	0.2	(0.0)	0.3	(5.2)
Operating profit	Jan. 1 - Sep.30, 2020	(3.7)	(2.5)	8.6	(0.0)	(4.5)	(2.0)
	Jan. 1 - Sep.30, 2019	4.4	(1.2)	9.7	0.0	(5.1)	7.8
	Change	(8.0)	(1.2)	(1.1)	(0.0)	0.6	(9.8)
Depreciation and amortization	Jan. 1 - Sep.30, 2020	7.8	4.2	3.8	0.0	1.5	17.3
	Jan. 1 - Sep.30, 2019	8.4	4.3	3.9	0.0	1.4	18.0
	Change	(0.7)	(0.1)	(0.0)	0.0	0.1	(0.8)
E B I T D A (*3)	Jan. 1 - Sep.30, 2020	8.1	1.9	11.8	(0.0)	(3.3)	18.4
	Jan. 1 - Sep.30, 2019	13.2	3.3	11.7	0.0	(3.8)	24.4
	Change	(5.1)	(1.4)	0.1	(0.0)	0.4	(6.0)
Capital expenditures (cash basis)	Jan. 1 - Sep.30, 2020	5.8	2.0	3.8	0.0	1.8	13.5
	Jan. 1 - Sep.30, 2019	5.4	4.8	13.2	0.0	2.1	25.5
	Change	0.4	(2.7)	(9.3)	(0.0)	(0.3)	(12.0)

\*1: The profit and loss of the North American soft drinks business has been classified under discontinued operations in 2019.

Therefore, the amount of continuing operations excluding the amount of discontinued operations from related items is shown.

\*2: Core operating profit is calculated as Revenue – Cost of sales – SG&A expenses.

\*3: 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 (Nine months ended September 30, 2020)

### Condensed Consolidated Balance Sheets

(billions of yen)

	Year ended December 31, 2019	Nine months ended September 30, 2020	Change	Details
Current assets	155.8	172.9	17.1	
Cash and cash equivalents	15.2	52.5	37.3	
Trade and other receivables	92.5	66.7	(25.8)	Seasonal factors
Inventories	36.5	38.6	2.1	
Other	11.5	15.1	3.6	
Non-current assets	483.0	470.8	(12.1)	
Property, plant and equipment , Intangible	155.9	150.5	(5.3)	
Investment property	219.6	218.7	(0.8)	
Goodwill	18.4	18.3	(0.1)	
Other	89.2	83.3	(5.8)	
Total assets	638.7	643.7	5.0	
Current liabilities	210.5	224.8	14.3	
Trade and other payables	34.5	31.4	(3.1)	
Short-term financial liabilities	72.1	104.0	31.8	
Other	103.9	89.5	(14.4)	
Non-current liabilities	253.7	255.7	2.0	
Long-term financial liabilities	155.2	161.9	6.7	
Net defined benefit liability	5.0	6.4	1.4	
Other	93.5	87.5	(6.0)	
Total liabilities	464.2	480.6	16.4	
Equity attributable to owners of parent	174.1	163.0	(11.1)	
Equity attributable to non-controlling interests	0.5	0.2	(0.3)	
Total equity	174.5	163.1	(11.4)	
Total liabilities and equity	638.7	643.7	5.0	

### Total Asset by segment

(billions of yen)

	Year ended December 31, 2019	Nine months ended September 30, 2020	Change	Details
Alcoholic Beverages(*1)	280.2	260.7	(19.5)	
Food & Soft Drinks	117.6	112.5	(5.2)	
Real Estate	244.7	240.4	(4.3)	
Other(*1)	0.0	0.0	0.0	
Corporate and eliminations	(3.9)	30.1	33.9	
Total	638.7	643.7	5.0	

\*1: The logistics businesses which until now were listed under "other business", will be classified under "Alcoholic Beverages" in 2020.

To enable year-on-year comparisons, figures for the previous fiscal year have been adjusted to reflect the new reportable segments.

### Financial Liabilities by segment(\*1)

(billions of yen)

	Year ended December 31, 2019	Nine months ended September 30, 2020	Change	Details
Alcoholic Beverages(*2)	49.4	57.9	8.5	
Food & Soft Drinks	23.3	20.7	(2.6)	
Real Estate	130.0	132.5	2.5	
Other(*2)	0.0	0.1	0.0	
Corporate and eliminations	24.7	54.8	30.1	
Total	227.3	265.9	38.5	

\*1: The balance of debt includes commercial paper but excludes the balance of lease obligations.

\*2: The logistics businesses which until now were listed under "other business", will be classified under "Alcoholic Beverages" in 2020.

To enable year-on-year comparisons, figures for the previous fiscal year have been adjusted to reflect the new reportable segments.

## Consolidated Forecasts (Year ending December 31, 2020)

※No change from the figures announced on August 6

### Condensed Consolidated Statements of Income

(billions of yen)

	Year ended December 31, 2019(*1)	Year ending December 31, 2020 (Forecast)	Change	Details
Alcoholic Beverages (*2)	330.2	286.9	(43.3)	(13.1%)
Japan & Asia	254.7	229.4	(25.3)	(9.9%)
North America	48.3	44.9	(3.4)	(7.0%)
Restaurants	27.3	12.7	(14.6)	(53.4%)
Food & Soft Drinks	136.9	134.0	(2.9)	(2.1%)
Real Estate	24.7	23.4	(1.3)	(5.2%)
Other (*2)	0.2	0.2	0.0	31.3%
<b>Revenue</b>	<b>491.9</b>	<b>444.5</b>	<b>(47.4)</b>	<b>(9.6%)</b>
Alcoholic Beverages(*2)	8.5	(0.4)	(8.9)	—
Japan & Asia	8.0	4.5	(3.5)	(43.8%)
North America	0.2	0.0	(0.2)	(100.0%)
Restaurants	0.4	(4.9)	(5.3)	—
Food & Soft Drinks	(0.5)	(2.7)	(2.2)	—
Real Estate	10.7	10.5	(0.2)	(2.2%)
Other · General corporate and intercompany eliminations(*2)	(7.1)	(6.4)	0.7	—
<b>Core operating profit (*3)</b>	<b>11.7</b>	<b>1.0</b>	<b>(10.7)</b>	<b>(91.5%)</b>
Other operating income	3.5	3.0	(0.6)	(15.9%)
Other operating expense	3.0	11.9	8.8	289.8%
<b>Operating profit</b>	<b>12.2</b>	<b>(7.9)</b>	<b>(20.1)</b>	<b>—</b>
Financial income (expense) / Foreign exchange gains (losses)	(0.6)	(1.4)	(0.8)	—
Equity in net income (loss) of affiliates	0.0	0.0	(0.0)	(34.8%)
<b>Profit before tax</b>	<b>11.6</b>	<b>(9.4)</b>	<b>(21.0)</b>	<b>—</b>
Income taxes	4.3	(2.9)	(7.2)	—
<b>Profit (loss) from continuing operations</b>	<b>7.3</b>	<b>(6.5)</b>	<b>(13.8)</b>	<b>—</b>
Loss from discontinued operations	(3.5)	—	3.5	—
<b>Profit (loss)</b>	<b>3.8</b>	<b>(6.5)</b>	<b>(10.3)</b>	<b>—</b>
Profit (loss) attributable to non-controlling interest	(0.5)	(0.0)	0.5	—
<b>Profit (loss) attributable to owners of parent</b>	<b>4.4</b>	<b>(6.5)</b>	<b>(10.9)</b>	<b>—</b>

(ref.)

<b>E B I T D A (*4)</b>	<b>36.0</b>	<b>23.5</b>	<b>(12.5)</b>	<b>(34.7%)</b>
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\*1: The profit and loss of the North American soft drinks business has been classified under discontinued operations in 2019.

Therefore, the amount of continuing operations excluding the amount of discontinued operations from related items is shown.

\*2: The logistics businesses which until now were listed under "other business", will be classified under "Alcoholic Beverages" in 2020.

\*3: Core operating profit is calculated as Revenue – Cost of sales – SG&A expenses.

\*4: EBITDA=Profit from operations before non-recurring items+ 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, 2019	Year ending December 31, 2020 (Forecast)	Change	Details
Cash flows from operating activities	36.1	13.9	(22.1)	(61.3%)
Cash flows from investing activities	(24.9)	(13.5)	11.4	—
<b>Free Cash flows</b>	<b>11.1</b>	<b>0.4</b>	<b>(10.7)</b>	<b>(96.0%)</b>



**Consolidated Forecasts ( Year ending December 31, 2020 )**

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

※No change from the figures announced on August 6

**( 1 ) Alcoholic Beverages**

(billions of yen)

Change factor	Year ended December 31, 2019	Year ending December 31, 2020 (Forecast)	Change	Details
Beer increase (decrease) in volume			(7.4)	Beer (10.9) Happoshu (0.4) New genre +4.0
Beer product mix			0.2	Excluding Composition difference between genres
Manufacturing cost ,other			(0.7)	
Wine · Spirits · Shochu			0.4	
Others			0.7	Non-alcoholic beer · RTD
Marginal profit			(6.8)	
Advertising and promotion expenses			3.2	Rebate subtracted from sales
Personnel expenses, Facilities costs ,other			1.0	
Domestic subsidiary,consolidation adjusting, other			(0.5)	
Fixed costs and other			3.6	
Alcoholic Beverages in Japan			(3.2)	
Alcoholic Beverages in Asia			(0.3)	Vietnam
Alcoholic Beverages in Japan & Asia	8.0	4.5	(3.5)	
Alcoholic Beverages in North America	0.2	0.0	(0.2)	
Restaurants	0.4	(4.9)	(5.3)	
<b>Alcoholic Beverages(Core operating profit)</b>	<b>8.5</b>	<b>(0.4)</b>	<b>(8.9)</b>	

**( 2 ) Food & Soft Drinks**

(billions of yen)

Change factor	Year ended December 31, 2019	Year ending December 31, 2020 (Forecast)	Change	Details
Increase (decrease) in volume			(0.8)	
Manufacturing cost ,other			0.6	
Logistics costs			(0.4)	
Marginal profit			(0.6)	
Advertising and promotion expenses			(0.0)	
Personnel expenses, Facilities costs ,other			0.1	
Fixed costs and other			0.1	
Domestic subsidiary,consolidation adjusting, other			(0.7)	
Japanese Food & Soft Drinks			(1.2)	
Overseas Soft Drinks/ Domestic coffee shop chain			(1.1)	Overseas(0.2) · Domestic others(0.9)
<b>Food &amp; Soft Drinks(Core operating profit)</b>	<b>(0.5)</b>	<b>(2.7)</b>	<b>(2.2)</b>	

## Consolidated Forecasts (Year ending December 31, 2020)

※No change from the figures announced on August 6

### Segment Information

(billions of yen)

		Alcoholic Beverages	Food & Soft Drinks(*1)	Real Estate	Other	Corporate and eliminations	Consolidated total(*1)
Revenue	Year ending December 31, 2020(Forecast)	286.9	134.0	23.4	0.2	—	444.5
	Year ended December 31, 2019	330.2	136.9	24.7	0.2	—	491.9
	Change	(43.3)	(2.9)	(1.3)	0.0	—	(47.4)
Core operating profit (*2)	Year ending December 31, 2020(Forecast)	(0.4)	(2.7)	10.5	0.0	(6.4)	1.0
	Year ended December 31, 2019	8.5	(0.5)	10.7	0.0	(7.1)	11.7
	Change	(8.9)	(2.2)	(0.2)	(0.0)	0.7	(10.7)
Operating profit	Year ending December 31, 2020(Forecast)	(5.8)	(3.2)	11.3	0.0	(10.2)	(7.9)
	Year ended December 31, 2019	7.7	(1.2)	12.7	0.0	(7.1)	12.2
	Change	(13.5)	(2.0)	(1.4)	(0.0)	(3.1)	(20.1)
Depreciation and amortization	Year ending December 31, 2020(Forecast)	10.5	5.1	5.1	0.0	1.9	22.5
	Year ended December 31, 2019	11.4	5.8	5.2	0.0	1.9	24.2
	Change	(0.9)	(0.7)	(0.1)	0.0	0.0	(1.7)
E B I T D A (*3)	Year ending December 31, 2020(Forecast)	10.1	2.4	15.6	0.0	(4.5)	23.5
	Year ended December 31, 2019	19.9	5.3	15.9	0.0	(5.2)	36.0
	Change	(9.9)	(2.9)	(0.3)	(0.0)	0.7	(12.5)
Capital expenditures (cash basis)	Year ending December 31, 2020(Forecast)	3.9	1.4	5.7	0.0	2.5	13.5
	Year ended December 31, 2019	7.2	6.5	13.5	0.0	2.6	29.9
	Change	(3.3)	(5.2)	(7.8)	(0.0)	(0.1)	(16.4)

\*1: The profit and loss of the North American soft drinks business has been classified under discontinued operations in 2019.

Therefore, the amount of continuing operations excluding the amount of discontinued operations from related items is shown.

\*2: Core operating profit is calculated as Revenue – Cost of sales – SG&A expenses.

\*3: 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)